

Public Tender

No. 100034743

for the provision of
Consultancy, Monitoring and
Control Services of Mekorot
Water Co. water projects in
Israel.

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The Government Authority for Water and Sewage (hereinafter – the “**Authority**” or the “**Water Authority**”) hereby invites tenders from the public for the provision of consultancy, monitoring and control services of Mekorot Water Co. water projects in Israel. The successful consultant will be referred to in this document as the “**Supplier**” or the “**Consultant**”.

Note: The masculine gender is used in this Tender for the sake of convenience only and the Tender is addressed to people of either gender.

1. Background

1.1. Water Authority

1.1.1. The Water Authority was established on January 1, 2007 by a decision of the Government of Israel in accordance with the Water Law, 5719 – 1959 (hereinafter – the “**Water Law**”). It is responsible for dealing with all aspects of the water and sewage economy in Israel, including its planning, management, operation and regulation.

1.1.2 The functions of the Water Authority include, *inter alia*, the regulation, development and supervision of the water sector; the long-term planning of the national water economy; developing the water sector in line with Government policy; granting licences for the setting up of water plant and water production facilities and the supervision of water suppliers; determining rates and levies for the various uses to which water is put; the regulation of Mekorot, water production facilities and water corporations.

1.2. The Authority Board

The Board of the Government Authority for Water and Sewage (hereinafter – the “**Board**”) takes its powers from Section 124O of the Water Law, 5719 – 1959.

Since January 1, 2007, the Board has had the sole authority to enact the secondary legislation necessary for the implementation of policy and powers with regard to water and sewage (“**Regulations**”).

1.3. The Water Authority Development Division (in this Section: the “**Division**”)

1.3.1. The Water Authority has supervisory authority over infrastructure projects and all aspects of development works, both from an economic standpoint and also with regard to the technical implementation of such projects, which includes: planning, costs estimations, detailed design, approved budgets, accompanying the management of project performance and monitoring and controlling project performance (making sure that projects stay within their approved

budgets and schedules). This authority is exercised by, amongst others, the Development Division.

- 1.3.2. The Division is responsible for the coordination, accompanying, conduct, supervision, control and support of the implementation of water development programmes approved by the Board. It acts in accordance with the priorities and policies that have been set for the development of the water sector. Its main responsibility is the supervision and control of water plants (i.e. overseeing investments and ensuring that they meet approved plans) both before, during the planning phase, during construction and after construction has been completed.
- 1.3.3. The Division is responsible for setting development guidelines for Mekorot National Water Co (hereinafter: “**Mekorot**”) for the preparation of the development programme in accordance with the priorities approved by the Board. It is also the responsibility of the Division to make recommendations to the Director of the Water Authority (hereinafter: the “**Director of the Authority**”) over the approval of Mekorot’s annual and multi-annual development plans and bringing these to the Board for approval.
- 1.3.4. The Division is responsible for examining Mekorot’s multi-annual development programme, evaluating projects which have been submitted for approval and granting approvals for water plant projects in accordance with particular planning, engineering and economic criteria. It does this through the various committees which it runs (the Needs Assessment Committee, the Adjudication Committee and the Exceptions Committee) in accordance with the procedures prepared by the Division and in accordance with the decisions of the Board and the Director of the Authority.
- 1.3.5. The committee procedures and Mekorot development programmes are attached as annexes to this Tender and can be accessed via the following links:

Annex 1	Needs Assessment Committee Procedures
Annex 2	Exceptions Committee Procedures
Annex 3	Adjudication Committee Procedures
Annex 4	The Development Programme
Annex 5	The Water Rules (Calculation of Costs and Revenues, Recognition of the Development of Water Plants and Mekorot’s Reporting Obligations) 5772 – 2001
Annex 6	Diagram of the project approval process

1.4. **Mekorot National Water Co.**

Mekorot is 100% state owned and is under the Ministry for Infrastructures, Energy and Water Resources.

Mekorot is defined in the Water Law as a national water authority in the field of the National Water Carrier and its activities come under the purview of the Water Authority.

At the same time as developing water infrastructures and water plants, Mekorot is responsible for the on-going work of providing a regular and reliable supply of water. As part of its development of water infrastructures, Mekorot currently carries out projects on an on-going basis in the following main areas:

- A. Production – drilling works, constructing water pumping stations, desalination plants and so on.
- B. Supply and delivery network – laying new pipes and replacing old ones. This includes connecting boreholes and desalination plants to the Mekorot system, and connecting communities and consumers to the Mekorot system, and so on.
- C. Reservoirs – constructing water reservoirs, earth reservoirs, and treated waste water reservoirs and so on.
- D. Water Treatment – constructing water treatment plants (filtration, well reclamation, desalination, and so on).
- E. Constructing new wastewater treatment plants and extending existing ones (including the Shafdan Plant).
- F. Protection of Installations.
- G. Technical projects (control, remote water meter reading systems, and so on).

Since 2007, Mekorot has been structured as a corporate group. “Mekorot Water” is the overall holding company which is responsible, amongst other things, for management, water production and supply, sewage treatment and desalination.

“**Mekorot Water**” has two subsidiaries:

“**Mekorot Development and Enterprise**”, which sponsors water projects in Israel and overseas;

“**EMS Mekorot Projects**”, which is the branch of Mekorot responsible for carrying out projects in the following areas: planning, construction and implementation of electro-mechanical water and waste-water treatment systems; carrying out civil engineering works at water pump installations, for waste and waste treatment facilities, and laying pipes of up to 108 inches in diameter; drilling to depths of 1,500 meters; water treatment and filtration systems; planning, manufacture and installation of high and low voltage electricity distribution equipment; planning, manufacture and installation of water pump

installations with capacities of up to 8,000 MKS; and also carrying out rain enhancement projects.

Mekorot currently supplies approximately 1.5 billion m³ of water per year to 70% of total consumers, through 3,000 installations and more than 12,000 km of water pipes and channels. Pursuant to treaties entered into by the Government of Israel, Mekorot also supplies water to the Palestinian Authority and Jordan.

Note that Section 1 above has been included as general background, solely for the convenience of those wishing to submit bids. Nothing in the Tender documentation relating to the functions of the Authority and its various branches or in relation to Mekorot may be regarded as creating any obligations towards the bidders or anyone acting on their behalf.

2. Table of Key Dates

2.1.A table of key dates for the Tender process is set out below:

	The Activity	Date
1.	Date of the publication of the Tender in newspapers.	November 10, 2016
2.	Last date for submitting Requests for Clarification	January 2, 2017
3.	Date for publication of responses to Requests for Clarification	February 13, 2017
4.	Final date for submission of Bids.	From 8:00 AM on April 2, 2017 until no later than 12:00 PM on April 5, 2017
5.	Expiry date of Bid Bonds	August 5, 2017
6.	Expiry date of Bids	October 5, 2017

2.2.The Authority shall be entitled to change any of the dates set out above, including by postponing the bid submission deadline if the then current deadline has not passed.

2.3.Notification with regard to any postponement of any of the dates set out above will be published on the Authority's website, www.water.gov.il. Bidders are responsible for keeping abreast of any such changes.

2.4.Note that, in the event the bid submission deadline is postponed, the bid bond expiry date may also change and bidders are responsible for keeping abreast of any such changes.

3. Required Services

3.1.The following services will be required from the successful bidder

3.1.1. Engineering Control (Monitoring and Control of Mekorot Projects)

3.1.1.1. General

The Water Authority has supervisory responsibility for the infrastructure projects for which the services are required, with the emphasis on all aspects of development works both from an economic and a technical/performance point of view, including: reviewing Mekorot's annual and multi-annual development programmes and making recommendations concerning these to the manager of the Authority; presenting the programme to the Board for approval; reviewing, accompanying and control of every stage of Mekorot projects: project innovation, general planning, costs estimation, detailed planning, budgetary approval, accompanying the management of project performance, monitoring and control of the project or part thereof (i.e. ensuring a project remains within its approved budget and schedule) and cognisance of the development costs and so on.

3.1.1.2. The project approval process is set out in the Water Rules (Calculation of Costs and Revenues, Recognition of the Development of Water Plants and Mekorot's Reporting Obligations) 5772 – 2001 (hereinafter: - the “**Rules**”) and in the flow chart which was prepared in accordance with the Rules and which is attached as Annex M to this Tender.

3.1.1.3. **The main tasks of the monitoring and engineering control team for the Supplier will include the following:**

3.1.1.3.1. Assisting the Water Authority in overseeing Mekorot. The team will carry out assessments of need, planning (at the level of general planning) and performance of projects presented to the Authority for investment approval each year, and will also monitor the project timetables for completing project implementation as determined and approved.

3.1.1.3.2. Submitting the results of assessment, control and monitoring activities to the relevant Water Authority entities in the form of reports. These reports will contain the findings of the assessments made by the team with regard to the various project phases, beginning with the needs assessment, through the planning phase and ending with project execution, including with regard to meeting project timetables.

3.1.1.3.3. Participation in meetings and site visits as required. It is important to note that **for the purposes of providing the services a large number of trips to project sites all over Israel will be required.**

3.1.1.3.4. **Initiation:**

Evaluating and assessing the initiation stage in accordance with committee procedures (“**Procedures for Evaluating, Submitting and Approving Requests for Approval of General Planning**” as set out in Annex 1 attached hereto at the link provided in Section 1.3.5 above, and as updated from to time) and making

recommendations to the Division as to the need for going ahead with the project.

3.1.1.3.5. General Planning:

Evaluating and assessing the general planning stage of projects, including, amongst other things, the following:

- A. Checking that the project meets the guidelines as set out in the terms of reference (TOR) and the Water Authority's general planning guidelines.
- B. Assessing whether the programme is in line with water economy policy and with regional programmes and the national master-plan.
- C. Evaluating the engineering design including its statutory feasibility and giving professional opinions and recommendations to the Development Division.
- D. Checking cost estimates and comparing project alternatives.
- E. Checking that the programme complies with the provisions of the "Procedures for Presenting Projects to the Adjudication Committee" (see Annex 3 attached hereto at the link provided in Section 1.3.5 above, as this may be amended from time to time) and other relevant procedures.
- F. Assisting with the preparation of the technical discussion before the Adjudication Committee – the discussion where all relevant entities within the Water Authority present comments, Requests for Clarification and so on, and providing recommendations to the Development Division.

3.1.1.3.6. Accompanying, monitoring and controlling project execution

- A. Accompanying project execution by participating in discussions, in steering committees and administrative meetings; preparing periodic reports as required under the Rules and preparing professional opinions for the Development Division as needed; identifying obstacles and situations which are likely to cause the project to go over budget or beyond schedule and monitoring statutory compliance. These activities are all carried out in accordance with guidelines set by the Authority's representative.
- B. Checking that the project stays within the approved budget, checking costs and finding opportunities for reducing costs by, amongst other things, by assessing the detailed plan and evaluating the extent to which the various project elements are actually required, and making recommendations in this regard to the Development Division – all in accordance with guidelines set

by the Authority's representative. In this regard, the Consultant may be required to employ the services of the International Planning Expert, as defined in Sections 3.1.3 and 3.2.3.5 below.

- C. Checking that the required budget (the binding budget as defined by Mekorot) complies with the Rules, the Development Division procedures and the guidelines set by the Authority's representative – all for the purposes of issuing project implementation approval, and checking the "binding budget" submitted by Mekorot pursuant to that set forth in the Rules. In this regard visits to sites where are projects are being carried out, will be made as may be necessary.
- D. Reviewing material presented to the Exceptions Committee by Mekorot and making any relevant recommendations to the Division in this regard. This includes checking costs and any proposed changes to the plans, in accordance with the Procedures for evaluating, submitting and approving requests for the approval of deviations from approvals for compiling detailed designs or approvals for project execution (see Annex 2 attached hereto at the link provided in Section 1.3.5 above, as this may be amended from time to time), and also completing such material in cooperation with Mekorot, designers and with other units in the Authority as necessary. It is important to note that site visits will be required in this regard in order to check any deviations in project execution costs.
- E. Accompanying project implementation, monitoring the status of required permits and any required co-operation agreements with third parties, and confirming the extent to which cost estimates are being adhered to. Likewise, and in addition, updating the cost estimate and giving notice of any significant overruns.
- F. Identifying potential barriers and disputes and anticipating any overruns in the project timetable or from the approved budget. Submitting a report detailing the reasons and causes for any of the above and recommending solutions.
- G. Monitoring and controlling project execution costs and checking approved cost estimates against actual expenditure.

3.1.1.3.7. Mekorot Development Programmes

On-going monitoring of the implementation of projects in accordance with Mekorot's annual and multi-annual plans (such projects as have been approved by the Board in accordance with the Rules). These monitoring activities shall include, but not be limited to, the following:

- A. Providing monthly project status reports in a format to be submitted and approved by the Authority and quarterly reports (written and presented in a PowerPoint presentation) on the status of key projects.
- B. Reporting on the completion of each project included in Mekorot's annual and multi-annual development programmes. Checking the costs of the projects submitted each year for the approval of capital investment as against the approval originally issued for project implementation. Sample checking of final accounts and, where required, obtaining supplementary material from Mekorot.
- C. Assisting in the carrying out of debriefing sessions.

3.1.1.3.8. Providing consultancy, as required and subject to prior approval, regarding any matter related to Mekorot's development programmes.

3.1.2. Providing Professional Advice and Assistance in Setting a Project Performance Standard and a Normative Price List

As part of a joint working team with Mekorot, the consultant on behalf of the Supplier shall be required to assist in the preparation of a normative price list, as defined below.

It is important to emphasise that the normative price list consultant (in this Section: the “**Consultant**”) shall be appointed as the team coordinator and as the body responsible for preparing the price list.

3.1.2.1. General:

As part of its work, Mekorot lays underground infrastructure intended to last for decades and spends vast sums of money on constructing facilities. It is necessary to evaluate whether Mekorot's project performance standards are appropriate to the requirements of the water sector and to assist in the setting of appropriate binding standards for the water sector.

3.1.2.1.1. The main purpose of the price list is to create a simple and convenient tool for use by the relevant professionals in evaluating engineering plans which are submitted for general planning approval and performance budgeting.

3.1.2.1.2. The work will include, *inter alia*, preparing investment estimates for pipelines (of all types), pumping stations, boreholes, pools and reservoirs. The work will also include comparing contractors' price proposals and evaluating Mekorot's prices. Prices for the supply and transport of pipes and other accessories shall be obtained from various manufacturers.

3.1.2.1.3. The Consultant will be assisted by an experienced team in the planning and preparation of investment estimates for each of the items detailed above.

3.1.2.1.4. The Consultant will be required to meet with at least 3 (three) members of the marketing personnel of relevant companies and to obtain details of the going discounts in the market.

3.1.2.1.5. The price list will be a dynamic one so that it will be relatively simple to make adjustments to any of its parameters in order to reflect changes in the market.

3.1.2.1.6. In addition, the price list will include the calculation principles to be used and the normative costs of design, including detailed design, supervision, project management and associated engineering services (consultants, measurements, soil tests etc.).

The price list will also include the calculation principles and the creation of normative cost functions for calculating the price of water.

The aim is for the price list to be dynamic and sensitive both to changes in the planning assumptions underlying the various costs (such as increases in steel prices), as well as to the broadening of starting assumptions and data as necessary.

3.1.2.1.7. The price list will need to be maintained and updated annually as described below.

3.1.2.2. Presentation of the Price List

- A. The work will be presented as a hard copy booklet together with a digital file (presented in a storage drive) containing an Excel version of the price list in an unprotected work-book format in which the “trace precedents” and “trace dependents” functions can be used and where the algorithms and formulae used are displayed.
- B. A separate report will be presented setting out the algorithms and formulae used in the digital file.
- C. The services here will include a price list user guide, actual training of Water Authority staff in the use of the price list and an annual update for the duration of the contract, all subject to any other provisions on this topic in the Tender documentation.
- D. The Consultant will be allowed to suggest improvements on such topics as: the format in which the price list is presented and used, the planning approach, methodology and so on, all without altering the objectives, scope and essence of the work.

E. This part of the services will be performed as part of a joint professional team with Mekorot.

3.1.2.3. Normative Price List Milestones

As part of this work, the Consultant will be required to perform the key tasks set out below, each of which are described in more detail in Annex 14 to this Tender which describes the payment milestones for this task:

- 3.1.2.3.1. Preparation of a performance standard for water facilities projects;
- 3.1.2.3.2. Preparation of a draft price list;
- 3.1.2.3.3. Preparation of the actual price list;
- 3.1.2.3.4. Final report – recommendations;
- 3.1.2.3.5. The Consultant will propose normative parameters with regard to: planning fees, including detailed planning, supervision, project management, consultancy, carrying out surveys and taking measurements, quality assessment and other engineering services.

3.1.3. Consultancy on Detailed Planning

The Supplier will be required to provide consultancy on various matters relating to detailed planning. It is important to note that for these purposes the Consultant may be required to enlist the assistance of a planning expert with international experience who will need to be available for around 300 hours per year.

The job of the international planning expert will be the evaluation of proposed plans, providing second opinions including comparing alternatives and costs, and giving appropriate recommendations.

It should be emphasised that, although the Supplier is required to propose an international planning expert in its bid as detailed in Section 3.2.3.5 below, the Authority does not undertake to appoint the expert for the amount of hours referred to above, or at all, and that such amount of hours is intended solely as an initial general estimate.

3.1.4. Providing consultancy with regard to drilling as detailed below

- 3.1.4.1. **General Background** – As part of global climate change and global warming, Israel has been forced to deal with a multi-annual drop in rainfall, with enormous fluctuations between years of drought and high rainfall. These irregular rainfall cycles cause significant variations in the amounts by which aquifers are naturally replenished each year and consequently a situation has developed where water consumption in some years is greater than the replenishment rate, and water pumping is carried out at the cost of reducing groundwater volumes still further. Despite the addition of sea water and salt water desalination to the water supply, “natural” water (i.e. groundwater and surface water) still remains the main contributor to satisfying water demand in Israel. Accordingly, it is

necessary to maintain and develop natural water sources while also creating new water sources. Mekorot has more than 1,000 active boreholes, some of them up to 1,500 meters deep. There are also hundreds of other boreholes in Israel owned by corporations or private producers.

3.1.4.2. Mekorot drills on average 2 – 3 deep boreholes per year as well as several shallow ones all pursuant to approved development plans. Similarly, the Eastern Drainage Project includes over thirty boreholes and is nearing completion.

In addition, works are being carried out to renovate existing boreholes and to put some of the coastal aquifer and mountain aquifer boreholes back into use. Given the age of some of the boreholes (50 – 60 years old) and in order to maintain our capacity for the continued pumping of natural water, it is necessary to carry out an array of works for the renovation or renewal of old boreholes. Renovation works include mechanical and chemical cleaning of the bore and sometimes also inserting new piping into the bore. The decision as to whether to renovate a borehole or to put one back into use depends on the results of a cost–benefit analysis. Maintaining production capacity requires on-going maintenance and renovation of many of the existing boreholes. Treatment includes the use of chemicals and other physical methods many of which are borrowed from the oil drilling industry. These activities make it possible to continue keeping boreholes in use and preserving the overall pumping capacity.

3.1.4.3. **Drilling Consultant**

The services that will be required from the drilling consultant include, *inter alia*:

- 3.1.4.3.1. Advising the Division on all matters relating to drilling plans submitted for approval (whether related to shallow or deep drilling).
- 3.1.4.3.2. Accompanying detailed planning and providing second opinions where required.
- 3.1.4.3.3. Monitoring project performance on site and accompanying the project (it should be made clear in this regard that it is monitoring and control that is required, rather than day to day supervision).
- 3.1.4.3.4. Participating in the Water Authority's drilling committee where requested by the Authority's representative.
- 3.1.4.3.5. Staying at the drilling site as required and in line with the progress of the drilling, (even up to doing so on a daily basis, as may be required, and in accordance with the instructions of the Authority's representative) for the purposes of monitoring the drilling works continuously and discovering ahead of time any obstacles and overruns of the set timetable or costs.

3.1.4.3.6. Providing on-going reports to the Authority's representative as to the progress of works on site. In addition the Consultant shall submit detailed drilling reports no later than 30 days after being requested to do so by the Authority's representative (or within such other timescale as shall be approved in advance by the Authority's representative).

3.1.5. **Accompanying and Managing Strategic Projects ("Mega- Projects")**

3.1.5.1. **As part of the services, the Supplier will provide a team member to accompany and manage strategic projects** (hereinafter: the "**Project Coordinator**"). The Project Coordinator's work will involve liaising with Mekorot, water and sewage corporations, local authorities, regional water associations, residents, environmental protection organizations, representatives from the Ministry of Finance and other government bodies, as well as other bodies involved in the development of the water sector which could affect the timely execution of projects in accordance with project programmes and timetables.

3.1.5.2. Mapping out the current state of affairs: preparing an updated picture of the actual state of planning and performance at a blueprint level, showing the general and detailed planning for each aspect of development. The report will need to include a definition of the status of required statutory approvals and any existing or anticipated constraints or limitations which are preventing, or could prevent the implementation of a programme. The list of such constraints or limitations should include any person, body or other thing which has or could have an influence on the work programmes.

3.1.5.3. Mapping out development alternatives: For some projects it will be necessary to map out the possible development alternatives. For each alternative a detailed timetable will be prepared, points for crucial decisions, and the "players" whose involvement in the project is required, the performance duration, costs and points of contact with other development elements, all subject to the Authority's instructions and on-going consultation with its representative.

3.1.5.4. Updates and reports: the Project Coordinator will be responsible for controlling all work programmes submitted by Mekorot and for evaluating the extent to which such programmes comply with the policies of the Water Authority. Likewise on-going reports to the Authority representative on any changes or updates to work programmes and submission of materials for approval in accordance with the Authority's procedures and rules.

3.1.6. **Additional Special Tasks**

Without prejudice to any other of the Authority's rights, it is emphasised that the Consultant will only be required to perform the tasks detailed in this Section if

required and the list below does not impose any obligation on the Authority to require the Consultant to perform any or all of the tasks. It should also be stressed that the list below is illustrative only and the Authority may require the Consultant to perform other tasks within its areas of expertise:

3.1.6.1. Providing advice and assistance in the preparation of tenders for special projects.

3.1.6.2. Performing various tasks such as: preparing engineering reports; giving advice and support in setting rules and standards; providing advice and assistance in the drafting and updating of procedures; providing professional opinions, and so on.

3.2. Bidders will provide the following personnel for the project:

It is important to note that all personnel will be required to meet the threshold conditions set out in Section 5.1.5 below, as applicable.

3.2.1. Project Manager

3.2.1.1. Role Definition

3.2.1.1.1. The point of contact between the Team Leader and the Supplier and the person with whom the Team Leader and the Authority will liaise regarding all non-day-to-day issues arising out of the provision of services. His role will also include ensuring that matters, which in the Authority's view have not been taken care of appropriately by the relevant teams, are properly completed.

3.2.1.1.2. Will be an employee of the Supplier and will have the authority and skills to provide responses and solutions to ad-hoc problems that arise.

3.2.1.1.3. Will be allowed to occupy other roles required under or in connection with the contract other than acting as an engineer team member.

3.2.1.2. Areas of Responsibility

3.2.1.2.1. For the entire duration of the contract, the Project Manager will be responsible for overseeing the personnel employed by the Supplier to provide the services.

3.2.1.2.2. The Project Manager will be required to monitor and review the Supplier's employees for the purposes of quality control over the type of service and will ensure the professional level of the consultants.

3.2.2. Team Leader

3.2.2.1. Role Definition:

3.2.2.1.1. The person responsible on behalf of the Supplier for the activities of the engineering control team and the point of contact for the relevant divisions.

3.2.2.1.2. The Team Leader will be an employee of the Supplier and, as noted above, may also fill the role of Project Manager (provided that he meets the threshold conditions set out in Section 5.1.5.1 below).

3.2.2.2. Areas of Responsibility

3.2.2.2.1. Will be responsible for ensuring the performance of all of the tasks assigned to the team, and to this end will be required to ensure that tasks are appropriately allotted amongst team members and that tasks are performed in accordance with the relevant timetable.

3.2.2.2.2. Will coordinate and manage on-going communications amongst team members and also between team members and the relevant parties at the Water Authority.

3.2.3. Team Members

3.2.3.1. Three (3) engineers (in addition to the Team Leader). The team members will be responsible for performing the tasks detailed above in Section 3.1.1.3.

3.2.3.2. **Normative Price List Consultant:** Will be responsible for performing the responsibilities detailed in Section 3.1.2 above.

3.2.3.3. **Expert Drilling Consultant:** Will be responsible for performing the responsibilities detailed in Section 3.1.4 above. The Supplier will be responsible for procuring the services of an expert drilling consultant who will be required to perform various tasks of uncertain scope. It should be made clear that the proposed drilling consultant will be required to provide at least 1,000 hours' worth of services to the Supplier per month for the entire duration of the contract, though it is stressed that this does not entail an undertaking on the part of the Authority to pay a minimum consideration or to procure a certain number of hours.

3.2.3.4. **Project Coordinator:** Will be responsible for performing the responsibilities detailed in Section 3.1.5 above. Without this placing any obligation on the Water Authority and for the convenience of bidders only, it is expected that the Project Coordinator's job for this stage will be equivalent to half a full time job. **It is important to note that the Project Coordinator will be required to actively participate in professional discussions in English and, as needed, will be required to provide discussion summaries in English.**

3.2.3.5. **International Planning Expert**

The International Planning Expert will be required for the performance of various tasks of as yet unknown and undefined scope including providing general and detailed planning advice and checking over detailed designs.

It is important to note that the International Planning Expert will be required to commit to providing at least 300 hours per year of services to the Supplier (without this imposing any obligation on the Authority to pay a minimum consideration or to procure a certain number of hours).

3.3. Place where services are provided:

3.3.1. The Supplier will be required to provide the required services from offices situated near the Water Authority's offices. For the purposes of providing the services, team members will need to be fully available to attend meetings at the Water Authority's offices which will take place regularly around 3 times per working week. **Team members will therefore be required to provide services from offices situated near the Water Authority in Tel Aviv or in one of the nearby towns, provided that the distance between the Water Authority's offices and those of the Supplier shall be not more than 25 km.**

3.3.2. It is important to note in this context that, under current plans, the Water Authority is expected to relocate its offices to Jerusalem during 2017. In this event, the Supplier's team members will be required to provide services from an office located in Jerusalem or its environs, as per the guidelines set out above.

4. Contract Period

- 4.1. The period of the contract between the parties will be 36 months ("Contract Period").
- 4.2. The Authority will have the option to extend the contract by three additional periods of two years each, or for any part thereof, for the Service or any part thereof, for the purposes of maintaining and updating the normative price list – all at its sole and absolute discretion in accordance with the terms of the agreement and subject to the prior approval of the Tender Committee and subject to the budgetary constraints at the time.
- 4.3. The commencement of the Contract Period is expected to be June 1, 2017. It is important to note that the contract will only enter into force after it has been signed on behalf of the Authority by all of its authorised signatories.

5. Preconditions for Participation in the Tender (Threshold Requirements)

Bidders are required to comply with all of the following cumulative threshold requirements in order to be entitled to participate in the tender.

5.1. Professional Threshold Requirements

Important:

Neither the bidder nor any of its proposed team members nor anyone acting on their behalf may have worked or provided services or have agreed to undertake work or provide services for or on behalf of Mekorot during the two years prior to the bid submission deadline under this Tender. They must also undertake not to do so whilst providing services to the Authority and for at least one year after the project has been completed. The bidder will be required to sign a declaration to this effect in the form attached as Annex B to this Tender.

Bidders will be required to comply with the requirements set out below, which are cumulative. (It should be stressed that bidders will be able to comply with these threshold requirements through one of the entities comprising the bidder, subject to the conditions set out in Section 5.1.3 below.)

5.1.1. The bidder will need to demonstrate that it has at least 7 years' experience, in the 10 years prior to the last date for submitting bids under this Tender, in the management of engineering projects in the field of infrastructure, where such projects satisfy all of the following cumulative criteria:

5.1.1.1. In the period prior to the last date for the submission of bids, it managed at least 3 projects with a minimum overall budget of USD 10 million (\$10,000,000), at least two of which were water or sewage infrastructure projects;

5.1.1.2. At least one project with a minimum overall budget of USD one hundred million (\$100,000,000);

5.1.1.3. At least one project that was carried out overseas (outside Israel).

✿ It should be made clear that the decision over whether the experience of a bidder meets the above criteria is subject to the sole and final discretion of the Tender Committee.

5.1.2. Each bidder, including all the entities comprising the bidder will be required to undertake that, in the event of their being selected as the successful bidder in this Tender, they will not work for Mekorot throughout the period of their engagement with the Authority and for a period of one year thereafter.

5.1.3. **Notes:**

✿ Bidders will be permitted to rely on the experience of one of their members provided that the member, upon whom the bidder will be relying for the purposes of meeting the threshold requirements, holds 50% or more of the voting rights in the bidder. (Where the bidder is comprised of two companies or partnerships which have not yet entered into a contract as required under Section 5.3 below, then the agreement between them must provide for a future contract between them which meets this condition.)

✿ The earliest date from which the experience of a bidder is to be measured is the date of incorporation of the entity submitting the bid only, unless expressly decided otherwise by the Tender Committee.

- 5.1.4. The bidder will be required to prove that it has the qualifications required under this Section by way of documentation evidencing their relevant experience. They will also be required to properly complete Annex I(1) attached hereto to the threshold requirements.

5.1.5. Personnel:

Bidders will be required to put forward a team which meets all of the following cumulative requirements.

5.1.5.1. Project Manager

The proposed Project Manager is required to meet all of the following cumulative requirements:

- 5.1.5.1.1. Has been employed by the bidder – meaning, for these purposes, one of the entities comprising the bidder’s group – for at least one year (out of the last three years).
- 5.1.5.1.2. Has at least a first degree from an academic institution in at least one of the following fields: Industrial Engineering and Management, or Water Engineering, or Civil Engineering, or Structural Engineering or Mechanical Engineering.
- 5.1.5.1.3. Has proven experience of at least 10 years in project management in the field of construction and infrastructure. It should be clarified that the threshold conditions detailed in this Sub-Section have been set bearing in mind the central role that the proposed Project Manager will have in the provision of services and the need of the Water Authority for the consultancy of an experienced planning expert/engineer.
- 5.1.5.1.4. Has managed at least one construction or infrastructure project with an overall budget of at least USD 50 million (\$50,000,000).

- ✿ The Project Manager must prove that he has the qualifications as set out in this Section by providing documentary evidence describing his relevant experience, including letters of recommendation concerning him directly or concerning the bidder which specify the proposed Project Manager by name, and by properly completing Annex I(2) attached hereto to the threshold requirements.

5.1.5.2. Team Leader

The Team Leader will be required to meet each of the following cumulative requirements:

- 5.1.5.2.1. An employee of the bidder or one of the members of the bidder’s group as at the date of the agreement.
- 5.1.5.2.2. A resident of Israel or living permanently in Israel with perfect command of Hebrew.

5.1.5.2.3. Has a recognised academic degree to at least first degree level in at least one of the following fields: either civil engineering, or structural engineering, or water engineering, or agricultural engineering or industrial engineering and management. The degree must be from an academic institution recognized by the Council for Higher Education or have been certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.

5.1.5.2.4. Is registered in the Registry of Engineers in one of the above fields.

5.1.5.2.5. Has at least 7 years' experience in planning or supervision in the fields of water or civil engineering, out of which at least 5 years' experience is in the field of management, construction, planning or the supervision of water or sewage infrastructure projects. It is important to note that the threshold requirements set out in this subsection have been set bearing in mind the fact that the team leader will have a professional management role in the planning/engineering team and will be required to have experience of undertaking projects which by their nature are projects lasting over a number of years.

5.1.5.2.6. Has had experience, in the 7 years prior to the final date for the submission of bids, of planning management, performance management, or construction management, or supervision management in at least three engineering projects, one of which must have been completed, and where each has an overall budget of at least USD 30 million (\$30,000,000).

✿ The Control Team Leader will be required to provide documentary evidence of his relevant experience as proof that he has the qualifications required under this Section. This includes letters of recommendation concerning him directly or letters of recommendation concerning the bidder but which specify the Control Team Leader by name. He will also be required to properly complete Annex I(3) attached hereto to the threshold requirements.

5.1.5.3. Team Members

Bidders must propose 3 (three) team members each one of whom satisfies the following requirements:

5.1.5.3.1. The team member will be an employee of the bidder (or of a member of its group) on the date on which the bids are submitted.

5.1.5.3.2. An Israeli resident or permanently residing in Israel with perfect command of Hebrew.

5.1.5.3.3. Has a recognised academic degree to at least first degree level in at least one of the following fields: water engineering, or agricultural engineering or mechanical engineering or civil engineering, or structural engineering, or industrial engineering and management. The degree must be from an academic institution which is recognised by the Council for Higher Education or which is certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.

5.1.5.3.4. Is registered in the Registry of Engineers in one of the above fields.

5.1.5.3.5. Has at least 3 years' experience in the 5 years preceding the final date for the submission of bids, in the management, planning, construction or supervision of engineering projects in the fields of water and sewage infrastructure.

- ✿ Each of the team members will be required to provide documentary evidence of their relevant experience as proof that they have the qualifications required under this Section. This includes letters of recommendation concerning them directly or concerning the bidder but specifying them by name. They will also be required to complete Annex I(4) attached hereto to the threshold requirements.

5.1.5.4. Project Coordinator

The proposed Project Coordinator will be required to satisfy the following cumulative requirements:

5.1.5.4.1. Has a recognised academic degree to at least first degree level in one of the following fields: water engineering, or agricultural engineering or mechanical engineering or civil engineering, or structural engineering, or industrial engineering and management. The degree must be from a recognised academic institution.

5.1.5.4.2. Is registered in the Registry of Engineers in one of the above fields.

5.1.5.4.3. Has at least five years' proven experience of managing infrastructure projects.

5.1.5.4.4. Has proven experience in working with public bodies in the advancing of statutory processes, in planning and building committees and in local authorities.

5.1.5.4.5. Has a high level of English including an ability to read professional literature and to run meetings in English.

- ✿ The Project Coordinator will be required to provide documentary evidence of his relevant experience as proof that he has the qualifications required under this Section. This includes letters of

recommendation concerning him directly or concerning the bidder but specifying the Project Coordinator by name. He will also be required to properly complete Annex I(5) attached hereto to the threshold requirements.

5.1.5.5. International Planning Expert

The International Planning Expert will be required to satisfy the following cumulative requirements:

- 5.1.5.5.1. Has proven experience in performing planning as head planner on at least 5 water or sewage infrastructure projects in at least one country other than Israel each with an overall cost of at least USD 10 million (\$10,000,000).
- 5.1.5.5.2. Has proven experience in the 5 years preceding the last date for the submission of bids in this Tender, in performing the planning as head planner of at least one water or sewage project with an overall budget of USD 100 million (\$100,000,000).

✿ The International Planning Expert will be required to provide documentary evidence of his relevant experience as proof that he has the qualifications required under this Section. This includes letters of recommendation concerning him directly or concerning the bidder but specifying the International Planning Expert by name. He will also be required to properly complete Annex I(6) attached hereto to the threshold requirements.

5.1.5.6. Normative Price List Consultant

The proposed Normative Price List Consultant will be required to satisfy the following cumulative requirements.

- 5.1.5.6.1. Has a recognised academic degree to at least first degree level in at least one of the following fields: civil engineering, or structural engineering, or water engineering, or agricultural engineering. The degree must be from an academic institution which is recognised by the Council for Higher Education or which is certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.
- 5.1.5.6.2. Is registered in the Registry of Engineers in one of the above fields.
- 5.1.5.6.3. Has at least 10 years' experience in the carrying out, the planning, management or supervision of water or sewage infrastructure projects.

✿ The Normative Price List Consultant will be required to provide documentary evidence of his relevant experience as proof that he has the qualifications required under this Section. This includes

letters of recommendation concerning him directly or concerning the bidder but specifying the Normative Price List Consultant by name. He will also be required to complete Annex I(7) attached hereto to the threshold requirements.

5.1.5.7. Drilling Consultant

The proposed Drilling Consultant will be required to satisfy the following cumulative requirements.

- 5.1.5.7.1. Has a recognized degree to at least first degree level in at least one of the following fields: civil engineering, structural engineering, water engineering, or geology or geological engineering, or mining engineering, or oil and gas engineering, or mechanical engineering or drilling engineering.
- 5.1.5.7.2. Has at least 5 years' proven experience in the performance, planning or supervision of water drilling projects.
- 5.1.5.7.3. Has proven experience, during the five years preceding the last date for the submission of bids, in the planning, or geological supervision or engineering supervision of at least one deep borehole (over 250 meters deep) and at least one shallow borehole (up to 250 meters deep).
- 5.1.5.7.4. Has experience of supervising at least one drilling project of the hammer drilling type and at least one drilling project using rotary drilling.
- 5.1.5.7.5. Has experience in the planning or supervision of the performance of at least two cleaning pump projects which include pumping tests.

✿ The Drilling Consultant will be required to provide documentary evidence of his relevant experience as proof that he has the qualifications required under this Section. This includes letters of recommendation concerning him directly or concerning the bidder but specifying the Drilling Consultant by name. He will also be required to properly complete Annex I(8) attached hereto to the threshold conditions.

- 5.1.6. With regard to Section 5.1.5 and all its sub-Sections, it should be made clear that Tender Committee shall have full and exclusive discretion regarding the decision over whether any of the persons proposed by the bidder to fill the aforementioned roles meets the requirements as set forth above, including the decision over whether the experience indicated is experience of the type required above.

5.2. Administrative Threshold Conditions

- 5.2.1. Intentionally deleted.

5.2.2. The bidder manages its accounting ledgers in accordance with the Income Tax Ordinance (New Version) and the Value Added Tax Law, 5736 – 1975, or is exempt from those requirements. They also regularly report their income to the Tax Authority Assessor and report to the Head of the VAT Office regarding transactions for which VAT is payable in accordance with the Value Added Tax Law.

5.2.3. The bidder (or any of the members comprising the bidder) is registered under Israeli law. (Where a bid is made on behalf of two companies which have agreed to submit a joint bid, the bidder must attach to the bid all relevant documents for both companies along with the agreement between the two companies. In such a case, where their bid is successful, they will be required to incorporate as a separate company within 45 days of their being notified of their success in the Tender).

5.2.4. A bidder which is a company or an overseas company is not registered in the registry of the Companies Registrar as a defaulting company, and has not received a defaulting company notice in accordance with Section 362 of the Companies Law, 5759 – 1999 (hereinafter the “**Companies Law**”).

For the purposes of this Section, a “**Defaulting Company**” is a domestic or overseas company which has defaulted on an obligation to pay any fee or make any other payments due under Section 44(6) of the Companies Law or has defaulted on a requirement to file any report due under Section 141 or 348 of the Companies Law.

5.2.5. The bidder has attached a submission guarantee (Bid Bond) in the form of an autonomous bank guarantee (from a bank or insurer as defined under the Control of Financial Services (Insurance) Law, 5741 - 1981) in the amount of two hundred and fifty thousand NIS (250,000 New Israeli Shekels) valid until August 5, 2017 made out to the order of the Government of Israel acting through the Government Authority for Water and Sewage.

5.2.5.1. The attention of all bidders is drawn to the requirement to submit a valid guarantee in identical form to the draft attached to the Tender documents. Any deviation from this wording (even where such deviation appears to be in favour of the Authority, such as a longer guarantee term, a guarantee that is index-linked and so on) may lead to the disqualification of the bid.

5.2.5.2. The Tender Committee shall be entitled to forfeit the amount of the guarantee, whether for the full amount or part thereof, after giving the bidder an opportunity to make representations, in the event, *inter alia*, of one or more of the following:

5.2.5.2.1. The bidder has acted fraudulently, deceitfully or with a lack of integrity during the tender process;

- 5.2.5.2.2. The bidder has given misleading or materially inaccurate information to the Tender Committee;
- 5.2.5.2.3. The bidder has revoked its bid after the date for the submission of bids in this Tender has passed;
- 5.2.5.2.4. After being declared the preferred bidder, it has failed to act in accordance with the instructions specified in the Tender or its Annexes or in the bid itself as being conditions precedent to the Authority entering into a contract with the successful bidder, including with regard to signing the agreement or signing the performance guarantee.
- 5.2.5.3. The guarantee will be returned by mail to the unsuccessful bidders on the earlier of the signing of the agreement with the successful bidder and the expiry of the guarantee.
- 5.2.5.4. The Tender Committee will be entitled to request an extension of the guarantee for so long as an agreement has not been entered with the successful bidder.
- 5.2.6. Where the bidder employs overseas workers, it has employed them legally and paid them the minimum wage as required under the Public Agency Transactions (Enforcement of Book-keeping, Payment of Tax Debts, Minimum Wage and the Legal Employment of Foreign Workers) Law, 5736 – 1976.
- 5.2.7. The bidder has regularly paid its workers all sums due to them in the previous year as required under employment legislation, and any extension orders, collective agreements and individual agreements applying to it, and, in any event, no less than the statutory minimum wage and social benefit payments as required.
- 5.2.8. The bidder meets the requirements of the Public Entities Transactions Law, 5736-1976, regarding proper representation of persons with disabilities.

5.3. Documents that must be included with bids as evidence of compliance with the threshold requirements:

- 5.3.1. . Intentionally deleted.
- 5.3.2. Confirmation from an authorised officer, accountant or tax advisor or a computerized confirmation under the Public Agency Transactions (Enforcement of Bookkeeping and Payment of Tax Debts) Law, 5736 – 1976 as amended, that the bidder keeps proper accounts or is exempt from keeping them and that it regularly reports its income to the tax assessment officer at the Tax Authority and reports all transactions which are liable for VAT to the Director of the VAT Office.

- 5.3.3. Certificate of registration of a corporation (for companies, associations, co-operatives or partnerships):
- 5.3.3.1. If the bidder is an unregistered partnership it must attach the partnership agreement or an affidavit as to its status as an unregistered partnership.
- 5.3.3.2. Where the bidder has not yet incorporated as set forth in Section 5.3.3, the certificates of incorporation of both companies must be provided together with the agreement between them to submit a joint bid for this Tender.
- 5.3.4. Confirmation that the bidder is not registered as a Defaulting Company in the registry of the Registrar of Companies and that it has not received any notifications pursuant to Section 362A of the Companies Law, 5759 – 1999 (hereinafter: the “**Companies Law**”) that it is a Defaulting Company.
- 5.3.5. An up to date company extract from the Registrar of Companies which can be obtained from the website of the Corporations Authority.
- 5.3.6. A declaration regarding the absence of any risk of a conflict of interest in the form attached hereto as Annex B.
- 5.3.7. A bid bond in the form attached hereto as Annex C.
- 5.3.8. Basic incorporation information regarding the bidder and details of its signatory rights in the form attached hereto as Annex D.
- 5.3.9. A declaration in the form attached hereto as Annex E to the effect that the bidder has employed foreign workers legally and has paid at least the minimum wage required under the Public Agency Transactions (Enforcement of Book-keeping, Payment of Tax Debts, Minimum Wage and the Legal Employment of Foreign Workers) Law, 5736 – 1976.
- ✿ Where the bidder is an unregistered partnership, each partner is required to complete and sign the annex using the form for an individual.
- 5.3.10. A declaration in the form attached as Annex E(1) to the effect that the bidder meets the requirements of proper representation for people with disabilities, according to Public Entities Transaction Law, 5763 – 1976.
- 5.3.11. A declaration in the form attached as Annex F to the effect that the bidder regularly paid all its workers all sums owing to them in the previous year as required under employment legislation, and any extension orders, collective agreements and individual agreements by which it was bound and, in any event, paid no less than the statutory minimum wage.

5.4. Other documents that bidders must attach to their bids as evidence of compliance with the threshold requirements:

- 5.4.1. An undertaking to use only authorised computer software, in the form attached hereto as Annex G.

✿ For unregistered partnerships, each partner is required to complete and sign the annex using the form intended for an individual.

5.4.2. An undertaking to comply with all Tender requirements in the form attached hereto as Annex H.

✿ If the bidder is an unregistered partnership, each partner is required to complete and sign the annex in the form intended for an individual.

5.4.3. **Methodology** – The bidder is required to attach a document based on Section 3 of this Tender (details of the Services) with specific reference to all the sub-sections of Section 3, demonstrating that it meets all the professional requirements of the Tender as set forth in this Section. In other words – detailing the method by which it proposes to perform the Services required under the Tender should it be successful in the Tender, the proposed timetable; the equipment and technology to be used; any relevant previous experience; the personnel it proposes to put forward to perform the Services (broken down according to the various roles that need to be filled), with reference also to meeting all the threshold requirements and all the other requirements set forth in the Tender.

5.4.4. A price proposal – see details in Section 7 and Annex A below.

5.4.5. All Tender documentation signed – as part of the bid the Supplier must attach all the Tender documentation (including responses to Requests for Clarification in the event that there are such) and must sign at the bottom of every page as evidence that the bidder has read, understood and agreed to everything stated in the documents. These signatures are in addition to any other signatures required.

5.4.6. A detailed curriculum vitae (resume) for every proposed team member together with recommendations.

5.4.7. C
V

Note

The confirmations required above must be valid for the year that the bid is made. If it takes longer than anticipated for the successful bidder to be selected, then all of the documents and confirmations required will need to be renewed accordingly.

6. Selection Criteria for the Successful Bidder

6.1. The successful bidder will be selected as follows:

6.1.1. **Stage A** – Checking whether the bid meets all of the threshold requirements.

6.1.2. **Stage B** – Evaluating the quality of bids which meet the threshold requirements.

6.1.3. Note that any bids receiving a quality score of less than 70 will be disqualified.

6.1.3.1. Notwithstanding the above, the Tender Committee may decide that, where the quality scores awarded to all the bids are less than 70, the two bids with the highest quality scores will pass through to the next stage provided that they have not received quality scores of less than 60 points.

6.1.3.2. Similarly, the Tender Committee may decide that, if only one bid receives a quality score which is higher than 70 points, the bid with the next highest quality score will pass through to the next stage, provided that the second bid has not received a quality score of less than 60 points.

6.1.3.3. Notwithstanding the above, the Tender Committee may decide that if only one bid receives a quality score which is higher than 60 but lower than 70 points, the bid with the next highest quality score will pass through to the next stage, provided that the second bid has not received a quality score which is less than 55 points.

6.1.3.4. Similarly, the Tender Committee may decide that, if there is only one bid whose quality score is higher than 55 but less than 60 points, it will forgo the requirement for a minimum quality threshold for this Tender.

6.1.3.5. For the avoidance of doubt, the decision of the Tender Committee as to which of the above avenues to choose from shall be made at its discretion. In each of the scenarios detailed above, the Tender Committee may select the only bid that received the relevant minimum score or may decide to cancel the Tender (provided that it may not decide to cancel the Tender due to none of the bids receiving the minimum quality score where one or more bid remains whose quality score is not lower than 75%).

6.1.4. **Stage C** – Score for cost element (price proposal) – opening the price proposal envelopes and evaluating the bids which received a score of at least 70 in the quality stage (Stage B).

6.1.5. **Stage D** – Selection of the successful bid.

The successful bid will be the one which receives the highest weighted score, with 40% relating to cost and 60% to quality.

The table below sets out the quality criteria referred to in Section 6.1.2 above:

Checked	Criterion	Score
	<u>Impressions from the Methodology</u> The bidder will attach a document of principles for the performance of the work, based on Section 3 of this Tender (details of the Services) with specific reference to all the sub-	8

Checked	Criterion	Score
<p>The bidder</p>	<p>sections of Section 3, demonstrating that the bidder meets all the professional requirements of the Tender as set forth in this Section. In other words – detailing the method by which it proposes to perform the Services required under the Tender should it be successful in the Tender, the proposed timetable; the equipment and technology to be used; any relevant previous experience; personnel (broken down according to the number of staff it will make available for the purposes of the project, the structure of the company, management methods, and details of the education and experience of the Project Manager and other staff and services, and the equipment and other means which the bidder will make available to the Authority should it be successful in the Tender, with reference also to meeting all the threshold requirements and all the other requirements set forth in the Tender.</p>	
	<p><u>Quality of Experience</u></p> <p>For this criterion, the bidder’s experience will be evaluated, having regard to the complexity, nature and scope of the projects being presented, and the relevance of the experience being put forward to the services that will be required pursuant to the contract.</p>	8
<p>Project Manger</p>	<p><u>Quality of Experience</u></p> <p>For this criterion, the Project Manager’s experience will be evaluated having regard to the complexity, nature and scope of the projects being presented, together with the relevance of the experience being put forward to the services required pursuant to the contract.</p>	6
<p>Team Leader</p>	<p><u>Quality of Experience</u></p> <p>For this criterion, the Team Leader’s experience will be evaluated having regard to the complexity, nature and scope of the projects being presented, together with the relevance of the experience being put forward to the services required pursuant to the contract. This is detailed more fully as follows:</p>	
	<p>A credit score will be given for quality of experience as defined above for team leaders with experience in the management, planning, supervision or control of projects in the field of water and sewage infrastructure.</p> <p>In addition, a credit score will be given for quality of experience as defined above for team leaders who demonstrate experience of having managed a team of engineers.</p>	8 2
<p>Team Members</p>	<p><u>Quality of Experience</u></p> <p>For this criterion, the Team Members’ experience will be evaluated having regard to the complexity, nature and scope</p>	

Checked	Criterion	Score
	<p>of the projects being presented, together with the relevance of the experience being put forward to the services required pursuant to the contract. This is detailed more fully as follows:</p> <p>A credit score will be given for quality of experience as defined above for each team member with experience as required in Section 5.1.5.3 in the field of water and sewage infrastructure.</p> <p>Note: The score for this criterion will be based on the average across all proposed Team Members.</p>	20
International Planning Expert	<p><u>Quality of Experience</u></p> <p>For this criterion, the proposed Planning Expert's experience will be evaluated having regard to the complexity, nature and scope of the projects being presented, together with the relevance of the experience being put forward to the services required pursuant to the contract in the field of water and sewage infrastructure in Israel.</p>	8
Project Coordinator	<p><u>Quality of Experience</u></p> <p>For this criterion, the proposed Project Coordinator's experience will be evaluated having regard to the complexity, nature and scope of the projects being presented, together with the relevance of the experience being put forward to the services required pursuant to the contract, with particular emphasis on proven and in depth experience of work in the Israeli water sector including with all of the relevant key bodies (for example, the Water Authority, Planning and Building Committees, Local Authorities and so forth)</p>	8
Drilling Consultant	<p><u>Quality of Experience</u></p> <p>For this criterion, the proposed Drilling Consultant's experience will be evaluated having regard to the complexity, nature and scope of the projects being presented, together with the relevance of the experience being put forward to the services required pursuant to the contract in the field of drilling.</p> <p>For this criterion, a credit score will be given for the quality of the experience put forward by the proposed drilling consultant in a variety of drilling methods.</p>	4 4
Normative Price List Consultant	<p><u>Quality of Experience</u></p> <p>For this criterion, the proposed Normative Price Consultant's experience will be evaluated having regard to the complexity, nature and scope of the projects being presented, together with the relevance of the experience being put forward to the services required pursuant to the contract.</p>	4
Project Manager, Team Leader,	<p><u>Interview:</u></p> <p>An interview will take place with the Project Manager, Team</p>	

Checked	Criterion	Score
<p>Project Coordinator, Normative Price List Consultant</p>	<p>Leader, Project Coordinator and the Normative Price List Consultant (note that all of the above will need to present at the same interview) so that the Authority can form a view, amongst other things, of the ability of the team to deliver the services being tendered for and to work together as an integrated unit.</p> <p>Criteria for the interview include the following:</p> <ul style="list-style-type: none"> ✿ Professional Ability; ✿ Management Fitness; ✿ Organizational Fitness; ✿ Understanding of the services required under the Tender; ✿ Ability to analyse data; ✿ Interpersonal and communication skills; ✿ The ability of the team to work as an integrated unit. ✿ Availability <p>The score for this criterion will be determined as follows: Project Manager –up to 6 points; Team Leader – up to 5 points; Project Coordinator – up to 5 points; Normative Price List Consultant – up to 4 points.</p>	<p>20</p>
	Total	100

7. Price proposals – Guidelines, Scoring System and Mandatory Provisions

- 7.1. Bidders should complete Annex A – “Price proposal Form” as required.
- 7.2. Bidders should propose an hourly fee as a percentage discount or as an addition of up to 30% on the consultants’ tariff set out in the State Directives on Regulation Finance and Economy No. 13.9.2 (“Contracting with External Service Providers”) and the Notice on Regulation Finance and Economy No. 13.9.2.1 (“Contracting with External Service Providers - Tariffs”) for each of the roles set out in the price proposal table (note that the above increase is only permitted for the Project Manager, Control Team Leader, Drilling Consultant, International Planning Expert and the Normative Price List Consultant). It is important to note that the hourly rate may not exceed the maximum tariff set out in the Notice on Regulation, Finance and Economy No. 13.9.2.1.E by virtue of State Directive on Regulation, Finance and Economy No. 13.9.2 **bearing in mind that the contract in question is an “on-going contract” meaning that the maximum tariffs in the State Directives on Regulation, Finance and Economy are to be decreased by 10% (Section 4.4.3.1**

of the Directives). It should be made clear that any bid proposing a price higher than the maximum price allowed under the above notice will be disqualified.

7.3. It is hereby clarified that for all engineers a single rate will be paid in line with their individual particulars and as required under the State Directive referred to above. To the extent that engineers of a different level under the State Directives are proposed, it will not be possible to request more than the rate permitted under the State Directives for the lowest level engineer.

7.4. Bidders will be required to propose a fixed price for performing the following two tasks set out in the Milestones Annex attached hereto as Annex N:

7.4.1. Providing a normative price list and project execution standard.

7.4.2. Providing drilling consultancy services (for shallow and deep drilling).

7.5. The formula for calculating the price proposals is in accordance with the following:

7.5.1. For weighting purposes only, the tariff proposed for team members' wages will be multiplied by the number of hours estimated for each role specified in the price proposal form. The total will make up 70% of the price proposal.

7.5.2. For weighting purposes only, the price proposed for providing the Normative Price List will be multiplied by the amount specified in the price proposal form. The total will make up 20% of the price proposal.

7.5.3. For weighting purposes only, the price proposed for drilling activities will be multiplied by the number of activities specified in the price proposal form. The total will make up 10% of the price proposal.

7.5.4. The cheapest price proposal will be awarded a score of 100% (which equates to 40% of the total score that can be awarded to bids under this Tender) and the other bids will be gradated accordingly. The formula is as follows:

$$\text{Score} = \text{Number of Criteria Points} \times \frac{\text{Cheapest Price proposal}}{\text{Proposed Price proposal}}$$

7.6. **Price proposals must be submitted in the form set out in Annex A attached hereto, in a separate closed envelope marked with the words 'Price proposal' and the Tender Number only. Any proposal which is not enclosed in a separate envelope will not be assessed.**

7.7. Price proposals must be signed by bidders' authorised signatories and certified by an attorney acting for the bidder. An unsigned or uncertified proposal will not be assessed.

7.8. A conditional or qualified price proposal or one which deviates from the form set out in Annex A will cause the bid to be immediately disqualified.

7.9. It should be made clear that nothing stated above entails any undertaking on the part of the Authority to make any minimum payment or guarantee a particular scope of work even after services have commenced. Payment will be in accordance with the above and will only be made after approval has been given for the actual work to

commence, subject to the existence of an available budget being available for the tender and the satisfaction of the Authority.

8. The Consideration

- 8.1. The prices set out in the price proposal shall be exclusive of VAT but shall be designed to subsume all other costs such as other taxes, training tools, insurance, work costs, associated expenses, office expenses, travel expenses (including travel time), parking expenses, time wasted, employees' social benefits and all other expenses including contractor's profit and so on.
- 8.2. The Authority will pay the Supplier for providing the services as set out and required in this Tender along with its Annexes, in accordance with the price proposal submitted by the successful bidder as approved by the Tender Committee, and subject to actual performance of the services and following the approval of the Authority's representative.
- 8.3. The payment to the Supplier for the provision of the services relating to the normative price list and project performance standard and also for the drilling consultancy services, will be made in accordance with the section of Annex N entitled **Milestones for Payments for Provision of Consultancy Services relating to a Normative Price List, Performance Standard and Drilling Consultancy.**
- 8.4. The Supplier will issue invoices at the end of every calendar month for the consultancy services provided in that month detailing the hours worked by the various team members detailed above and in the agreement. At each agreed date, the Supplier shall submit an invoice setting out the amount required to be paid for the service performed during the period to which the invoice applies.
- 8.5. It is hereby made clear that no payment of any kind will be made without the submission of detailed invoices which include a breakdown of the services as required above, or without attaching details of the service to which the invoice applies, or without the confirmation of the Authority's representative that the work was performed in full and to his complete satisfaction.
- 8.6. It should be made clear that index linkage will be added to the consideration in accordance with the guidelines of the Accountant General at the Ministry of Finance.

9. Entry into the Agreement

- 9.1. The successful bidder will be required to sign an agreement with the Authority in the form attached hereto as Annex O along with all the annexes of such agreement (including the Performance Guarantee and the Insurance Annex) within 14 days of a copy of the agreement being sent to it.
- 9.2. Not signing the agreement will be tantamount to a breach of the agreement. In this event, the Authority will be entitled (at its absolute discretion) to forfeit the guarantee attached by the bidder to its bid, whether for the entire amount of the guarantee or part thereof, without prejudice to the Authority's right to claim compensation from the bidder for any damage caused by this breach.

- 9.3. In the event the successful bidder does not sign the agreement in the timescale required or if there is any other breach of the agreement shortly after its signature, the Tender Committee shall be entitled, but not obligated, to choose another bidder as successful bidder, at its absolute discretion. In this event, the principle referred to above and all the provisions of this Tender and its Annexes will apply to the newly selected successful bidder. It should be made clear that the Authority's power in this regard shall not be seen as a right granted to any unsuccessful bidder.
- 9.4. In the event that the newly selected successful bidder also fails to sign the agreement, then the Tender Committee will be entitled to select the next bid in line, on the terms set out above.
- 9.5. It should also be made clear that the successful bidder will be required to provide a performance guarantee and to sign a declaration regarding the prohibition on it being in a situation of conflict of interest including, without limitation, any future situation of conflict of interest, with, *inter alia*, Mekorot. It will also need to sign a confidentiality agreement and a declaration regarding insurances and to attach a certificate from its insurers regarding the taking out of insurance in accordance with the requirements of the agreement.
- 9.6. It should also be made clear that the agreement includes, amongst other things, binding provisions relating to confidentiality and liability for damages and a statement regarding the absence of any employment relationship between the Supplier or any of its agents and the Authority.

10. Hierarchy between the Tender and the Agreement

- 10.1. The agreement, (including its appendices) attached to this Tender, forms an integral part of the Tender documentation. The Tender and the agreement (including its appendices) are to be treated as complementary and are to be read as one.
- 10.2. In the event of contradiction and/or inconsistency and/or ambiguity between the provisions of this Tender and those of any of its Annexes (including the agreement) including any contradiction, inconsistency and/or ambiguity between the provisions of any of the Annexes themselves, the provisions that are most beneficial to the Authority in the circumstances shall always apply, as well as the interpretation that is beneficial to the Authority in the circumstances of the case.
- 10.3. Subject to Section 10.2 above, where it is not possible to reconcile the language of the Tender specification with that of the agreement, the wording of the agreement shall prevail and shall be deemed to be the wording that binds the bidders and as the wording that was included in the Tender.

11. Supervision by the Authority

- 11.1. The Supplier will undertake to allow the Authority representative or any of its agents to inspect its activities, to supervise the performance of this Tender and the

provisions of the agreement to be entered pursuant to it. This includes supervision of the services being procured by the Authority.

11.2. The Authority's representative for these purposes is Ms. Mella Schwartz, Engineer, Head of the Division (Supervision) (hereinafter: the "**Authority Representative**").

11.3. The Supplier will undertake to follow the Authority Representative's instructions in respect of all matters relating to the provision of the services detailed in this Tender and in the agreement to be entered pursuant to it.

11.4. Additional provisions in this regard are included in the agreement.

12. Bid expiry dates and contracting with Bidders according to their ranking

12.1. Bids will remain valid for 180 days from the last date for the submission of bids.

12.2. The Authority reserves the right to enter into a contract with a bidder even after the bid expiry date referred to above has passed, provided that the bidder has not notified the Authority that it has revoked its bid following the date set for the expiry of bids.

12.3. Where, for any reason, the Authority is not able to enter into a contract with the successful bidder, or the agreement with the successful bidder is cancelled, the Authority shall be entitled to accept the bid of the next-ranked bidder, in accordance with the procedure set out below.

12.4. After evaluating the bids, the Authority shall announce the successful bidder and the bidder ranked second (hereinafter: the "**Reserve Bidder**"). It should be made clear that the Tender Committee is not obligated to select a Reserve Bidder and, where it does not select one, there will be no Reserve Bidder in the Tender.

12.5. Without prejudice to any of its rights under law or this Tender, the Authority reserves the right (but without obligation) to invite the Reserve Bidder to provide the services in accordance with its bid. It may do this even after having announced a different successful bidder or that bidder's success in the Tender has been revoked or the agreement with that bidder has been cancelled. This applies even where the Reserve Bidder's bid is no longer valid.

12.6. The Reserve Bidder will have a period of 7 days from the date of the approach by the Authority to give notice that it accepts the invitation. Where the Reserve Bidder fails to respond, or responds in the negative, the Authority shall be entitled to make the same offer to the third ranked bidder and so onwards, or to cancel the Tender, all at its sole and absolute discretion.

12.7. The Reserve Bidder will not have any claim against the Authority where the Authority does not contract with it in the end, or, alternatively, where it contracts with it but for a scope of work which is less than envisaged in the agreement.

12.8. For the avoidance of doubt, these provisions do not obligate the Authority to select a Reserve Bidder.

13. Changes in Proposed Personnel

13.1. Changes Requested by the Authority

- 13.1.1. The Authority shall be entitled, at its sole discretion, to require the successful bidder to appoint or replace a member or members of its team for any reason including – suitability for the task, reliability, availability, security clearance etc. The Authority will notify the Supplier in good time of its intention to exercise its power under this Section. Such a request will be binding on the Supplier, although a suitable timetable will be agreed with it.
- 13.1.2. The Authority shall be entitled, at its own cost, to add its own experts and consultants to the successful bidder's team for the purpose of carrying out work or to request that the successful bidder replace one of its professional staff for a particular piece of work. Where this happens, the Supplier's liability will not be thereby reduced or qualified in any way. It should be made clear that, to the extent the Authority exercises its rights under this Section, the Supplier will not be held liable for damages caused by the Authority's consultants. Nevertheless, the Supplier will be required to co-operate with them.

13.2. Changes requested by the Supplier

- 13.2.1. The Authority places great value on receiving on-going services from the professionals involved because of the complexity entailed in the provision of the services, the degree of familiarity which is required with the various projects and the professional standard required. Accordingly, the Supplier will not be permitted to change a team member it has put forward in its bid at any stage of the Tender or the contract.
- 13.2.2. Where the Supplier requests to change one of the team members put forward in its bid, it will be required to make a written application to the Tender Committee for the approval of the replacement and of the new member of staff at least 30 days before the staff member being replaced is to vacate his role.
- 13.2.3. The Authority shall be entitled to grant or not to grant its approval at its absolute discretion. It shall also be entitled to bring the contract to an end as a result of the replacement. The Supplier shall be prevented from making any claim against the Authority in the event that the Authority exercises its powers under this Section.
- 13.2.4. The replacement of staff is conditional on the written approval of the Tender Committee and only where the new staff member satisfies the threshold requirements and is at least as experienced as the team member he is replacing.
- 13.2.5. To the extent any replacement is approved, the Supplier shall be responsible, at its own cost and liability, for ensuring that there is a handover period of at least 40 days between the new and old staff member.

14. Performance Guarantee

14.1. In order to protect the Authority's rights under the agreement and to ensure that the successful bidder fulfils its undertakings arising out of this Tender, its bid and the provisions of the agreement, the successful bidder will be required to issue, at its own cost and at the time of the signing of the agreement, an autonomous bank guarantee from a bank or insurer as defined under the Control of Financial Services (Insurance) Law, 5741 – 1981 made out to the order of the Authority in an amount of 5% of the contract price including VAT, in accordance with the terms of the notification of the successful bidder.

14.2. Further binding provisions regarding the performance guarantee are contained in the agreement.

15. General provisions regarding the submission of Bids

15.1. Bids may be submitted as of April 2, 2017 at 8:00 AM until no later than April 5, 2017 at 12:00 PM.

15.2. Place for the submission of bids – the box for Tender submissions at the Government Authority for Water and Sewage at 14 Hamasger St. Tel Aviv (on the ground floor of the building next to the information desk).

Attention: Bidders should be aware that it can be difficult to access the Water Authority's Offices or to find parking in the area, and they should prepare themselves for this accordingly.

15.3. The Authority may, at its sole discretion and at any time, bring forward or postpone the final date for the submission of bids or change any other dates or conditions. Any such changes will be advertised via newspaper advertisements and the Authority's website.

15.4. Bid Submission Format

15.4.1. Bidders must submit their bids in the manner described below, as well as providing all the relevant details required and signing all the annexes to this Tender.

Where necessary, bidders may add additional details and documents which they are interested in adding to their bid and which are included therein.

15.4.2. The Authority reserves the right to immediately disqualify any bid not submitted in the format described below.

15.4.3. In addition to the above, bidders must check that they have attached all the documentation required in accordance with the threshold requirements and in accordance with all other Tender documentation, including completing all relevant details and signing where required.

15.5. Bid Submission Method

15.5.1. Bidders must submit 5 (five) copies of their bid and attach all of the documents required under Section 5 above to each copy. The 5 copies should be numbered 1 to 5 and each copy should be delivered in a closed envelope bearing the name of the bidder and the title and number of the Tender (**Tender No. 100034743 for the provision of Consultancy, Monitoring and Control Services of Mekorot Water Co. water projects in Israel**).

15.5.1.1. Note that the number of copies corresponds to the number of assessors.

15.5.1.2. It should be made clear that each one of the 5 copies of the bid should comprise two parts:

15.5.1.2.1. **Part 1** - Work proposal describing the bid in general terms without indicating any prices.

15.5.1.2.2. **Part 2** – the Tender documentation and signed annexes. Where there have been Requests for Clarification which have been responded to, the Requests for Clarification and the responses thereto should be signed and attached with this part.

15.5.2. One of the bundles (No. 1) or one cover page out of the five submitted must be marked as the **Original Copy** (the underlined words “**Original Copy**” must be clearly written on it).

15.5.2.1. This copy will contain all of the **original** approvals and undertakings. Every page of this original copy must be stamped and signed by the bidder.

15.5.2.2. The other copies (copies 2 - 5) will be photocopies of the original copy.

15.5.3. **The bid bundle should be arranged as set out below with a divider marked with the relevant chapter number inserted at the start of each chapter**

15.5.3.1. **Chapter 1:** Administrative documents.

15.5.3.2. **Chapter 2:** The following documents signed at the bottom of each page:

- Tender documents.
- Agreement and annexes.
- Questions and answers.
- Requests for Clarification (if published)

15.5.3.3. **Chapter 3:** Tender Annexes completed and signed as required (Annexes B, D - H, J - L)

15.5.3.4. **Chapter 4:** Annexes setting out the experience of the bidder and proposed team members:

- Annexes I1 – I8
- CVs and certificates of qualification of the proposed team members.

15.5.3.5. **Chapter 5:** Recommendations

15.5.3.6. **Chapter 6:** Methodology

15.5.4. In addition to the 4 copies of the bid, bidders should also attach to the bid bundle **one copy only (original copy)** of the price proposal, to be referred to as the **Costs Chapter** (in the format set out in Annex A below).

Bidders must insert the price proposal into a separate closed envelope clearly marked with the words “**Costs Chapter**” and the Tender number but with no other identifying mark. Bidders must not include any details relating to the price proposal anywhere else in their bid.

15.5.5. **Summary** – Each bid must comprise one large envelope bearing the Tender number and title but with no identifying marks of the bidder. This envelope should contain two envelopes as follows:

15.5.5.1. Bid envelope enclosing:

15.5.5.1.1. Original copy – work proposal without prices + original Tender documents (including Requests for Clarification and responses) signed by the bidder.

15.5.5.1.2. Four photocopies of the Original Copy.

15.5.5.1.3. One copy of the bid on CD **without the Costs Chapter** with any confidential sections redacted (see Section 18.2.4 below). If there are no confidential sections then a CD containing the full bid must be attached.

15.5.5.2. A separate closed envelope containing one price proposal set out in accordance with Annex A to this Tender.

15.5.6. Bids received after the date set out above will be disqualified without being opened.

15.5.7. The Authority is not be obligated to accept the cheapest bid nor is it required to accept a bid in full or parts of any bid. Any decision relating to this or any other matter will be at the sole discretion of the Authority.

15.5.8. The Authority reserves the right to decide not to select any bid as the successful bid.

15.5.9. The Authority is entitled not to consider at all any bid that is unreasonable or in the event of its failing to address in detail one of the Sections of this Tender which in the Authority's opinion prevents a proper evaluation of the bid.

15.5.10. **It should be made clear that the submission of a signed bid constitutes conclusive evidence that the bidder making the submission has read all of the Tender documentation and the attached agreement along with its annexes, has understood the contents thereof and given its unqualified acceptance thereto.**

16. Tender Documentation

16.1. Intentionally deleted.

16.2. Intentionally deleted.

16.3. Intentionally deleted.

16.4. The Tender documents are available for review free of charge at the Water Authority's website www.water.gov.il from the link entitled "Tenders and Calls for Proposals" and at the Government Procurement Administration's website www.mr.gov.il.

17. Requests for Clarification

17.1. The Authority's coordinator for this Tender is **Mrs. Raya Beliy, Senior Co-coordinator (Tenders and Contracts)** or her representative (hereinafter: the "**Tender Coordinator**").

17.2. The last day for submitting Requests for Clarification is January 2, 2017.

17.3. Questions and Requests for Clarification must be made in writing only to the following email address: Michrazim@water.gov.il. A confirmation of receipt will be sent by email to the participant submitting the request, by the Tender Coordinator or her representative. If a confirmation of receipt is not sent, this will be an indication that the Request for Clarification has not been received, with all that this implies.

17.4. Participants must mark every Request for Clarification with the Section of the Tender to which it relates.

17.5. Requests for Clarification must be made in the following format only:

Serial Number	Chapter	Section No.	Question

- 17.6. Every response or clarification will be sent in writing to the bidder who submitted the Request for Clarification by fax or e-mail using the details provided in the request and will also be published anonymously. The Tender Committee will only be bound by responses and clarifications given in writing, and such responses and clarifications will constitute part of the Tender documentation.
- 17.7. The Authority is not obligated to respond to every Request for Clarification.
- 17.8. Once a bid has been submitted, the Authority will not accept any claim regarding a mistake and/or a misunderstanding with respect to a particular detail in the Tender Documentation and its Annexes.
- 17.9. Bidders should be aware that any notifications to bidders in relation to any part of the Tender process up until the submission of bids, and any responses to Requests for Clarification, will be published on the Water Authority's website www.water.gov.il where they will be available from the link entitled "Tenders and Calls for Proposals" and on the Government Procurement Administration website: www.mr.gov.il only. Bidders are solely responsible for monitoring whether any notifications in relation to the Tender or any responses to Requests for Clarification have been published. No claim will be accepted from a bidder that it was not aware of the publication or content of a notification.
- 17.10. It should be made clear that only responses made in writing by the Authority and published on its website will be binding on the Authority. The Authority will not be responsible for any verbal explanations provided by any of its employees or by any other party.
- 17.11. Written responses to Requests for Clarification as referred to in Section 17.6 above will form an integral part of the Tender documentation and will need to be signed by the bidder and attached to its bid.
- 17.12. The Authority shall be entitled not to address enquiries or Requests for Clarification or objections which it receives, whether in whole or in part, all at its sole discretion. It is hereby made clear that any enquiry received after the last date for submitting Requests for Clarification will not be answered under any circumstances.
- 17.13. A bidder who does not apply to the Tender Committee as set forth in this Chapter will be barred from making any subsequent claim of unreasonableness, lack of clarity, errors or discrepancies and so forth.

18. Review of Documents

The Tender Committee will allow a participating bidder who wishes to review various documents, to do so in accordance with the following:

- 18.1. Review of documents shall be in accordance with and subject to the provisions of Regulation 21(e) of the Mandatory Tender Regulations 5753 – 1993, the Freedom

of Information Law 5758 -1998 and in accordance with other relevant law and case law.

- 18.2. A bidder believing that sections of its bid include commercial or professional secrets (hereinafter: “**Confidential Sections**”) which, in its opinion, should not be made available for review by other bidders:
 - 18.2.1. should expressly note in its bid which sections constitute Confidential Parts using the wording attached hereto as Annex J;
 - 18.2.2. should clearly and unambiguously indicate the Confidential Sections in its bid;
 - 18.2.3. where possible, should physically separate these Sections from the rest of the bid;
 - 18.2.4. should attach a copy of its bid on CD with the Confidential Sections redacted (and if there are no Confidential Sections should enclose a CD containing the bid as submitted). Under no circumstances should the CD copy of the bid include the Costs Chapter.
- 18.3. A bidder that has not marked as confidential any parts of its bid, will be considered as having given its consent to the whole of its bid being disclosed to other bidders.
- 18.4. The marking of a part of a bid as confidential constitutes an acknowledgement that these parts of this bid and of other bids are confidential, and that the bidder waives its right of review of such parts of other bidders’ bids.
- 18.5. The Tender Committee will have sole and absolute discretion with regard to the scope of bidders’ rights of inspection and it will act in this regard in accordance with tender laws and the criteria binding on administrative authorities.
- 18.6. Where the Tender Committee decides to allow the inspection of specified parts of a bidder’s bid despite the bidder denoting these as confidential it will give the relevant bidder notice of such decision and will allow the bidder to appeal this decision within an appropriate timescale given the particular circumstances.
- 18.7. Where it decides to reject the bidder’s appeal, the Tender Committee will notify the bidder before disclosing the relevant material to the party requesting it.

19. General Provisions

- 19.1. The Authority has no obligation to complete the Tender process and to select a successful bid within a particular timeframe. However, if the Tender approval process has not ended within 180 days from the last date for the submission of bids, bidders will be entitled to revoke their bids and to receive their guarantee back.
- 19.2. **Businesses Controlled by Women**

- 19.2.1. Bidders meeting the requirements of the amendment to the Mandatory Tenders Law (No. 15) 5763 – 2002 for the encouragement of women in business (hereinafter: - the “**Amendment to the Law**”) are required to provide confirmation and a declaration that the business is controlled by a woman (see the Amendment to the Law for the meaning of the terms: “**business**”, “**business controlled by a woman**” “**confirmation**” and “**declaration**”).
- 19.2.2. In accordance with the Amendment to the Law, if, after the results have been weighted, two or more bids have received the joint highest weighted result and one of the bids has been submitted by a business controlled by a woman, then that bid will be selected as the successful bid provided that a confirmation and declaration were attached to the bid at the time of its submission.
- 19.3. The Authority reserves the right to approach some or all of the bidders during the checking and evaluation process in order to seek clarifications concerning their bids or to clear up any uncertainties that may arise during the checking process, all subject to the State Directives on Regulation Finance and Economy, and the provisions of the Mandatory Tenders Law, 5753 – 1993 and the regulations made pursuant to it.
- 19.4. The Authority shall be entitled not to decide on a winning bid where, at its sole discretion, it considers that none of the bidders meet the requirements of the Tender.
- 19.5. The Authority reserves the right to immediately disqualify forthwith any bidder that has previously worked with the Authority or with any other Government entity as a supplier of equipment or services and did not meet the required schedule or the required standard of service or equipment, or where a negative written opinion has been issued concerning the nature of the work it provided. In this event, the relevant bidder shall be given the right to make a written or verbal representation before any final decision, all in accordance with the exclusive discretion of the Authority.
- 19.6. All books of account, data and documents relating to the work and in the possession of the Supplier shall be made available to Authority staff at any time upon request. The Supplier undertakes to provide the Authority and any of its agents at all times with any requisite information in connection with the performance of the work.

19.7. Powers of the Tender Committee

Without prejudice to the scope of the powers conferred on it by law, the Tender Committee shall be entitled to do any of the following in relation to the bids:

- 19.7.1. To disqualify any bid that is incomplete, missing information, conditional, qualified, containing errors or one that is based on incorrect assumptions or on a mistaken understanding of the Tender specification, unless the Tender

Committee decides otherwise. The Committee's decisions and reasons in this regard in relation to particular bids shall be recorded in the protocol.

- 19.7.2. Notwithstanding the foregoing, the Tender Committee shall be entitled to decide that an inconsistency with the Tender specification has been caused by a typographical error or a calculation error in the bid and may correct such error. Any such correction shall be made during the bid checking process carried out by the Tender Committee and shall be recorded in the protocol.
- 19.7.3. The Committee shall disqualify any bid that does not meet the threshold requirements. The following shall apply in relation to the checking of compliance with the Tender conditions including the threshold requirements:
 - (1) The Committee shall be entitled but shall not be obliged, at its sole discretion and where it considers the circumstances justify, not to apply or to waive any formality and to give a wide interpretation to any threshold requirement taking into account its purpose and its relationship with the work and the nature of the contract which is the subject of the Tender.
 - (2) The Committee shall be entitled to allow bidders to submit additional material and documentation relating to their showing that they meet the threshold requirements and to allow the submission of any missing confirmation provided that the threshold requirements were met before the date for the submission of bids. It should be made clear in this regard that the Committee distinguishes between the substantive threshold requirement and the process of proving that it has been met.
- 19.7.4. Without derogating from the generality of the foregoing, the Committee shall be entitled to allow an amendment or completion of details and information contained in bids, and also an amendment of any other defect it deems appropriate, and/or to waive any requirements and/or conditions included in the Tender documentation where these are not substantive requirements/conditions.
- 19.7.5. For the removal of doubt, it should be made clear that nothing in the foregoing in any way obliges the Committee to allow amendments or completions of any kind in a bid, and that its adopting a position allowing for an amendment of one type of defect does not of itself bind the Committee to adopt a position allowing for amendments of defects of another kind.
- 19.7.6. Bidders may not include qualifications of any kind in their bids whether in relation to any of the conditions of the Tender or of the agreement. Where any kind of qualification, omission, addition, deletion or any other kind of change (hereinafter: the "**qualifications**") is included in a bid or in any of the document accompanying it, the Committee shall be entitled to act, at its sole discretion in any of the following ways:
 - 19.7.6.1. To disqualify the bid of the bidder at the Tender stage;
 - 19.7.6.2. To ignore the qualifications, whether in whole or in part, and treat them as if they had not been included at all;

- 19.7.6.3. To regard all or any part of the qualifications as a technical defect only which does not prejudice the principle of equality;
- 19.7.6.4. To require the bidder to amend all or any part of the qualifications, as long as the amendment does not lead to a change in the price proposal;
- 19.7.6.5. Where relevant, to negotiate with the bidders and/or to amend all or any part of the Tender documentation, provided that the amendment applies to all bidders, and to allow bidders to re-submit all or any part of their bids.
- 19.7.7. The Committee will decide, at its sole discretion, whether to act or refrain from acting in accordance with all or any of the courses of action mentioned above, without it being obliged to set any order of precedence between such courses of action. It should be made clear that the Committee shall be entitled, at its sole discretion, to treat different qualifications differently in the same bid or in different bids.
- 19.7.8. Where the Committee chooses to act in accordance with any of the courses of action referred to above and the relevant bidder does not implement the Committee's decision, then, without prejudice to its other rights, the Committee shall be entitled to disqualify and/or disregard the bid and/or to forfeit the guarantee, even where that bid was selected, or could have been selected as the successful bid.
- 19.7.9. The Committee has a general power to disqualify any bidder if, for any reason, it turns out that there is a real risk, or a reasonable doubt over the bidder's ability to perform the contract in accordance with the Authority's requirements under this Tender. The Committee shall be entitled to hold a hearing for any such bidder.
- 19.7.10. The Committee shall be entitled at any time, through a notice to be published or by means of a letter, to bring forward or postpone the bid submission deadline or change other deadlines and conditions relating to the Tender at its absolute discretion.
- 19.7.11. The Authority reserves the right to negotiate with the successful bidder or the three highest scoring bidders.
- 19.7.12. The Authority has no obligation to the successful bidder to purchase any set amount of services or any services at all, and may, at its discretion, enter into contracts for the services with other and/or additional consultants, and the successful bidder shall have no right to compensation in any of these scenarios. It should be made clear that the Authority shall be entitled, at its sole discretion, to select more than one bid and split the work between two or more bidders, including splitting the award of the Tender whereby one bidder will provide the engineering control services set out in Section 3.1, while one or more other bidders shall fulfil the tasks relating to the normative price list

and project performance standard, drilling consultancy services and also take on the tasks of the Project Coordinator.

19.7.13. The Authority shall be entitled, at its sole discretion, to select additional bidders as first, second and so on next qualified bidders (hereinafter: the “**Next Qualified Bidder**”). The Authority may enter into a contract with a Next Qualified Bidder if it becomes clear to it that the successful bidder (or a successful bidder that was chosen as a runner up) is not able and/or does not intend to comply with the conditions of the Tender and/or the agreement and/or that the contract with it will not be performed for any other reason and/or will be terminated for any reason. A Next Qualified Bidder’s bid will remain valid and binding for a period of 180 days from the date that the Authority notifies it that it has been selected as a Next Qualified Bidder.

19.7.14. For the removal of doubt, it should be made clear that the announcement of a successful bidder will not, in and of itself, create a contractual relationship between the Authority and the successful bidder and that, before the agreement forming part of the Tender bundle is entered into between the Authority and the successful bidder, the Tender Committee may revoke or change its decision, at its sole and absolute discretion.

19.7.15. The foregoing is without prejudice to any of the Authority’s and/or the Tender Committee’s rights under the Tender documentation or under any law including the Mandatory Tenders Law, 5753 – 1993 or any regulations made under it.

19.7.16. Cancellation of the Tender –

19.7.16.1. The Authority shall be entitled, at any stage of the Tender, at its sole discretion, to cancel the Tender or change any of its terms or its scope or to issue a new Tender. It may decide to take any of these steps at its sole and absolute discretion without being required to give reasons or to issue a prior notice to bidders or any other party.

19.7.16.2. If the Authority exercises this power, a notice of cancellation of the Tender will be published on the Authority’s website and on the website of the Government Procurement Administration.

19.7.16.3. Under no circumstances shall the Authority be required to compensate Tender participants for their expenses where it amends or cancels the Tender.

19.7.16.4. Intentionally deleted.

19.7.16.5. No provision of the Tender shall prejudice the Authority’s rights under any law.

20. Table of Annexes

	Contents of Annex
	Professional Annexes Attached as Separate Files
Annex 1	Needs Assessment Committee Procedures
Annex 2	Exceptions Committee Procedures
Annex 3	Adjudication Committee Procedures
Annex 4	The Development Programme
	Annexes to the Tender
Annex A	Price proposal
Annex B	No Conflicts of Interest Declaration
Annex C	Bid Bond
Annex D	Confirmation of Registration of Corporation and Signatory Rights
Annex E	Payment of Minimum Wage and Non Illegal Employment of Foreign Workers Declaration
Annex E(1)	Declaration regarding proper representation for people with disabilities
Annex F	Declaration of Compliance with Employment Law
Annex G	Declaration of use of authorised computer software only
Annex H	Declaration of compliance with all Tender Requirements
Annex I(1)	Details of the Bidder's experience
Annex I(2)	Details of the experience of the Project Manager on behalf of the Bidder
Annex I(3)	Details of the experience of the Team Leader on behalf of the Bidder
Annex I(4)	Details of the experience of the Team Members on behalf of the Bidder
Annex I(5)	Details of the experience of the Project Coordinator on behalf of the Bidder
Annex I(6)	Details of the International Planning Expert on behalf of the Bidder
Annex I(7)	Details of the Normative Price List Consultant on behalf of the Bidder
Annex I(8)	Details of the Drilling Consultant on behalf of the Bidder
Annex J	Declaration with regard to Confidential Sections in the event of being selected as the Successful Bidder
Annex K	Details of the party submitting the Bid and its contact person
Annex L	Form of confirmation of submission of documents
Annex M	Flowchart – The Project approval process pursuant to the Water Rules
Annex N	Payment Milestones for the provision of services in the fields of consultancy with regard to the normative price list and project performance standard, and drilling consultancy
Annex O	State Directive on Regulation, Finance and Economy 13.9.2 and Notice on Regulation, Finance and Economy No. 13.9.2.1E – Tariffs for Contracts with

**Water Authority
Tender Committee**

**State of Israel
Development Division**

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co.
water projects in Israel

	External Service Providers
Annex P	Agreement

21. Table – Collation of documents which must be submitted

No.	The Document	Comments	Chapter in submitted bid
1.	Bid Bond	Annex C	1
2.	Intentionally deleted.		
3.	Certification regarding managing of books of account and accounts reporting		
4.	Confirmation of company not in breach	May attach Companies Registrar extract	
5.	Certificate of Incorporation		
6.	Extract from the Companies Registrar		
7.	Signed Tender documentation, including the agreement and its annexes		2
8.	Document of responses to Requests for Clarifications		
9.	Declaration regarding non risk of conflict of interest	Annex B	3
10.	Certificate of Incorporation and authorised signatories	Annex D	
11.	Declaration regarding payment of minimum wage and the non-illegal employment of foreign workers	Annex E	
12.	Declaration regarding proper representation for people with disabilities	Annex E(1)	
13.	Declaration regarding compliance of bidder with Labour Law	Annex F	
14.	Declaration regarding the use of authorised computer software only	Annex G	
15.	Declaration regarding compliance with all Tender requirements	Annex H	
16.	Declaration regarding Confidential Sections in the event of being awarded the Tender	Annex J	
17.	Details regarding bidder and Authorised Representative	Annex K	
18.	Confirmation of submission of documents	Annex L	
19.	Certification of experience	Annex I(1) - I(8)	4
20.	Detailed curriculum vitae of each proposed staff member		
21.	Recommendations		

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co. water projects in Israel

No.	The Document	Comments	Chapter in submitted bid
22.	Work programme (methodology)	Under section 6	
23.	Price proposal	Under Section 7 and Annex A	In separate envelope
24.	Copy of the entire bid on a CD/copy of bid on CD with Confidential Sections redacted		
	Only the Successful Bidder will be required to submit, in addition		
25.	Performance guarantee		
26.	Declaration of Undertaking of Confidentiality		
27.	Declaration regarding no conflict of interest		
28.	Declaration regarding procured insurance		

Annex A

Bidders are reminded that the Price Proposal form should be submitted in a separate envelope

Price Proposal

A. Bidder Details

I, the undersigned, _____ bearer of ID No. _____ and
_____, bearer of ID No. _____, as the authorised
signatories on behalf of the Bidder:

Name of Bidder: _____ Company registration no. _____;
Address _____; Tel: _____;
Fax: _____; Email: _____@_____

(hereinafter: the “Bidder”)

B. Declaration

Following our careful study of the Tender documentation and its annexes and having understood its import, we hereby submit the Bidder’s proposal for this Tender, as follows:

1. The Bidder undertakes to provide all the services as required in this Tender specification, all in accordance with the provisions of this Tender specification along with its annexes, including in accordance with the provisions of the agreement attached to this Tender along with its annexes, which agreement to be signed by the Bidder in the event of their bid being successful in this Tender.
2. The price proposal for the supply of the services as specified in this Tender is as set forth in the table below:

	The Service	Unit	Price for hour of work in NIS (excl.VAT)	Estimated annual scope of hours	Total in NIS (excl. of VAT)	Comments
1.	Consultancy from Project Manager	Hour of work		600		The price is for the service in accordance with all the requirements of the Tender, with emphasis on the provisions of Section 3.2.1.2. It should be made clear that the consideration for the provision of services shall not exceed the maximum tariff stipulated by the Notice on Regulation Finance and Economy No. 13.9.2.1 based on State Directives on Regulation Finance and Economy No. 13.9.2 and the provisions thereof, and in accordance with the discount/addition to the tariff (up to 30% addition or discount)
2.	Consultancy from the head of the engineering team			1,500		The price is for the service in accordance with all the requirements of the Tender, with emphasis on the provisions of Section 3.2.2.2. It should be made clear that the consideration for the provision of services shall not exceed the maximum tariff stipulated by the Notice on Regulation Finance and Economy No. 13.9.2.1 based on State Directives on Regulation Finance and Economy No. 13.9.2 and the provisions thereof, and in accordance with the discount/addition to the tariff (up to 30% addition or discount)
3.	Consultancy from the members of the team (3 engineers)			6,000		The price is for the service in accordance with all the requirements of the Tender. It should be made clear that the consideration for the provision of services shall not exceed the maximum tariff stipulated by the Notice on Regulation Finance and Economy No. 13.9.2.1 based on State Directives on Regulation Finance and Economy No. 13.9.2 and the provisions thereof, and in accordance with the discount/addition to the tariff (up

	The Service	Unit	Price for hour of work in NIS (excl.VAT)	Estimated annual scope of hours	Total in NIS (excl. of VAT)	Comments
						to 30% addition or discount) For all engineers a single rate will be paid in accordance with their individual particulars and as required under the State Directive referred to above. To the extent that engineers of a different level in accordance with the State Directives are proposed, it will not be possible to request more than the rate permitted under the State Directives for the lowest level engineer.
4.	Consultancy for International Planner			300		The price is for the service in accordance with all the requirements of the Tender. It should be made clear that the consideration for the provision of services shall not exceed the maximum tariff stipulated by the Notice on Regulation Finance and Economy No. 13.9.2.1 based on State Directives on Regulation Finance and Economy No. 13.9.2 and the provisions thereof, and in accordance with the discount/addition to the tariff (up to 30% addition or discount)
5.	Consultancy for Project Coordinator			1,500		The price is for the service in accordance with all the requirements of the Tender. It should be made clear that the consideration for the provision of services shall not exceed the maximum tariff stipulated by the Notice on Regulation Finance and Economy No. 13.9.2.1 based on State Directives on Regulation Finance and Economy No. 13.9.2 and the provisions thereof, and in accordance with the discount/addition to the tariff (up to 30% addition or discount)
			Total consideration in NIS (excl.VAT)			
			VAT (17%)			

	The Service	Unit	Price for hour of work in NIS (excl.VAT)	Estimated annual scope of hours	Total in NIS (excl. of VAT)	Comments
Total Consideration in NIS incl. VAT				Amount in figures: _____		
				Amount in words: _____		
The Service	Unit	Price for unit in NIS (excl.VAT)	Estimated amount	Total in NIS (excl. of VAT)	Comments	
Normative Price List	Global		1		The price is for the service in accordance with all the requirements of the Tender documentation	
Maintenance and annual update of Price List			1			
Total consideration in NIS (excl.VAT)						
VAT (17%)						
Total Consideration in NIS incl. VAT				Amount in figures: _____		
				Amount in words: _____		

	The Service	Unit	Price for unit in NIS (excl.VAT)	Estimated amount	Total in NIS (excl. of VAT)	Comments
1.	Consultancy for Shallow Drilling	Global		4		The price is for the service in accordance with all the requirements of the Tender documentation
2.	Consultancy for Deep Drilling			2		
Total consideration in NIS (excl.VAT)						
VAT (17%)						
Total Consideration in NIS incl. VAT				Amount in figures: _____		

	The Service	Unit	Price for unit in NIS (excl.VAT)	Estimated amount	Total in NIS (excl. of VAT)	Comments
					Amount in words:	

3. The Bidder hereby declares that as part of the Price Proposal, in each of the Sections in the table above it has taken into account all the elements of costs in connection with the performance of the services which are the subject of the Tender, including: costs of employing staff including payment of social benefits, computerisation costs, information system and security, office expenses, travel expenses (including travel time), parking expenses, time wasted, costs of insurance, equipment operation, issuing reports, contractor's profit and any other service required under this Tender in connection with the performance of the services.
4. The Bidder shall submit the Price Proposal in accordance with the table set out above only, without any additions, changes or deletions. The Bidder must fill out the price for each of the services set forth in the table above. The Tender Committee shall be entitled to disqualify any Price Proposal which is submitted in a format different to that set out in the table above, including insertions or deletions in the table, or a Price Proposal where prices have not been filled in for each of the elements as set forth in the table.
5. The Bidder hereby declares that it is aware that the quantities set out in the table above are estimates only and the Authority shall have full and sole discretion to determine the scope of the services/goods to be procured, their dates, duration, scope and order, and that the Authority does not in any way or form undertake to procure all the above or undertake to pay any form of minimum consideration.
6. The Bidder should fill in all the columns marked "Price in NIS".
7. A Price Proposal of "0" or the marking any of the elements with a "line" or "X" is liable to lead to the immediate disqualification of the bid, or a determination of the proposed price as the maximum price.
8. The addition of any amendments or the making of any changes or deletions in the Price Proposal table is liable to lead to the immediate disqualification of the bid.
9. For the purposes of the weighting of the Price Proposal as part of this Tender, the price quoted in the column "Total" is the price which will be taken into account.

C. Signatures

Name of Bidder/Authorised Signatory	ID No.	Signature	Stamp of Corporation

D. Verification of Signature

I, the undersigned, _____ Adv., whose address is _____ do hereby confirm that the Bidder, _____ whose signature appears above, is legally registered in Israel and that Messrs _____ and _____, who signed this Bid before me on behalf of the Bidder, are authorised to do so and to bind the Bidder by their signatures.

Date

Name of Advocate

Signature and Stamp

Annex B

Declaration regarding the absence of any conflict of interest

As required in accordance with the first part of Section 5.1 of this Annex, this will be signed separately by the Bidder and by each member of the proposed team

1. I, the undersigned, _____, authorised signatory and authorised to provide a declaration on behalf of the Bidder, _____ (hereinafter: the “**Bidder**”), do hereby declare that no risk, whether direct or indirect, of any conflict of interest exists for the Bidder or for any of the staff employed by the Bidder or anyone acting on their behalf, in any matter relating to this Tender and the work described therein.
2. I undertake to refrain from providing services to any body or other entity which would place the Bidder or anyone acting on the Bidder’s behalf in a position of conflict or create the risk of the existence of a conflict interest towards the Government Authority for Water and Sewage. Specifically I undertake to refrain from any situation of conflict of interest or the risk of the existence of a conflict of interest in regard to the work for “Mekorot” Co. (and its subsidiaries). In this regard I declare that I have not worked for or consulted for Mekorot in the 12 months preceding the submission of this Bid in this Tender, and, in addition, I undertake not to work for or consult for Mekorot for a period of 24 months following the end of the contract under this Tender, including any option and/or extension of such contract.
3. I undertake to notify and report immediately with regard to any fact or circumstance which might place the Bidder or anyone acting on the Bidder’s behalf in such a conflict of interest situation, and to do so as soon as such fact or circumstance become known to me, and at any stage in the contract with the Authority.
4. I am aware of and agree to the fact that the decision over the existence of a conflict of interest in the event of a link or connection with the bodies described in this Tender shall be that of the Water Authority and it alone will have the final say whether a conflict of interest exists which would prevent the continued performance of the services. However, nothing in the foregoing shall derogate from the obligation on me on behalf of the Bidder to refrain from a conflict interest or the risk of the existence of a conflict of interest and the obligation to avoid any link or connection to those bodies which might place the Bidder in a situation of conflict of interest.
5. I hereby declare, that in the event that the Bidder is successful in the Tender then for the entire period of the contract and in accordance with all the provisions of the agreement between the parties, the Bidder will refrain from taking any part in any work relating to the Tender which would create a situation of conflict of interest, whether directly or indirectly.
6. I undertake to notify the Water Authority should any risk arise of such a conflict of interest, and I am aware that in this event the Water Authority shall be entitled not to provide the Bidder with work where there is such a risk of conflict of interest, and all of this at its sole discretion.
7. I am aware that the decision regarding the existence or otherwise of a conflict of interest or the risk of the existence of a conflict of interest, is solely that of the Water Authority, and I undertake to act in accordance with its instructions as these may be issued by it at any time.
8. I hereby accept on myself to perform any decision of the Water Authority in any matter relating to this declaration, at the discretion of the Water Authority, including a decision over the termination of the contract between myself and the Authority.

In witness whereof I have signed below:

Date	Name of Bidder	Name of Authorised Signatory	Signature	Stamp of Bidder

Annex C
Bid Bond

Name of Bank/Insurance Co. _____

Telephone: _____

Fax: _____

To:

The Government of the State of Israel, through

The Government Authority for Water and Sewage

Dear Sir/Madam

Re: **Our guarantee no. for a total of 250,000 NIS**

We hereby guarantee to pay you any amount up to a total of 250,000 NIS (in words: two hundred and fifty thousand New Israel Shekels) which you may demand from _____ (hereinafter: the "Debtor"), in connection with Tender no. 100034743 for the provision of the services of consultancy, monitoring and control of Mekorot Water Co. water projects in Israel by.

We will pay you the abovementioned amount, within 15 days from the date of your first demand sent to us by registered mail, without your having to provide any reasons for your demand and without raising any claim of defence which the Debtor might have towards you with regard to the debt to you, and without requiring that the Debtor itself first pay off the aforementioned amount.

This guarantee shall be valid from ____ [date] _____ until August 5, 2017.

A demand in accordance with this guarantee should be directed to the branch of the bank/insurance company as follows:

Name of Bank/Insurance Co. _____

Bank number and branch number _____

Address of branch of Bank/Insurance Co. _____

This guarantee is non-transferrable.

**Water Authority
Tender Committee**

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co.
water projects in Israel

**State of Israel
Development Division**

Yours sincerely,

Date

Full Name

Signature and Stamp

Annex D

**Confirmation of Registration of Corporation and Authorised
Signatories**

I, the undersigned _____ Adv., address _____,
hereby confirm as follows:

The corporation bearing the name: _____ was legally incorporated
on: _____ and its company number is _____

**Stamp of the Corporation and Details of the Authorised Signatories on behalf of the
Corporation:**

	Full Name	ID No.	Signature
1.			
2.			
3.			
4.			

Company Stamp

Wording of Declaration:

Each signatory separately/all of the signatories together (* Delete where applicable) do
bind the corporation in all matters, including with regard to the contracting of the
company as part of this Tender.

The registered offices of the company are at the following
address: _____

Date Signature Stamp

Annex E

**Declaration regarding payment of minimum wage and not
employing foreign workers illegally**

I, the undersigned, _____, ID. _____, position in
Bidder _____

After being warned that I must tell the truth and that I will be liable for the punishments
provided in law if I do not do so, do hereby declare as follows:

1. I am making this declaration on behalf of _____ private
company/association number _____, which is the entity wishing to
contract with the Government (hereinafter: the “**Bidder**”). I hereby declare that I am
qualified to provide this declaration on behalf of the entity.
2. In this declaration, the meaning of the terms “**having an interest**”, “**convicted**”,
“**offence**” and “**resident of Israel**”, shall have the meaning accorded them in Section
2B of Transactions of Public Bodies Law 5736-1976. I confirm that the meaning of
these terms has been explained to me and that I understand what they mean.
3. I declare that one of the following is true as far as the Bidder is concerned:
 - a. Up to the date of the submission of the Bid, the Bidder and anyone having an
interest in the Bidder were not convicted of more than two offences under The
Minimum Wage Law 5747-1987.
 - b. Up to the date of the submission of the Bid, while the Bidder and anyone
having an interest in the Bidder were convicted of more than two offences
under The Minimum Wage Law 5747-1987, the last conviction did not take
place in the year preceding the date of the submission of the Bidder’s Bid for
the purposes of the present contracting with the Government.
4. The Bidder is a “resident of Israel”.
5. I declare that one of the following is true as far as the Bidder is concerned:
 - a. Up to the date of the submission of the Bid, the Bidder and anyone having an
interest in the Bidder were not convicted of more than two offences under The

Foreign Workers (prohibition on illegal employment and ensuring decent terms of employment), 5751-1991.

b. Up to the date of the submission of the Bid, while the Bidder and anyone having an interest in the Bidder were convicted of more than two offences under The Foreign Workers (prohibition on illegal employment and ensuring decent terms of employment), 5751-1991, the last conviction did not take place in the year preceding the date of the submission of the Bidder's Bid for the purposes of the present contracting with the Government.

6. This is my name, my signature is provided below, and the content of my declaration as set out above is true.

Date

Signature

Confirmation

I, the undersigned _____ Adv., confirm that on _____
Mr/Ms _____ appeared before me in my office at _____ Street,
_____ (city), _____ and identified him/herself by their ID
no. _____, and after warning them that they were obliged to declare the truth
and would be liable to the penalties set out in the law if they did not do so, signed the
declaration before me.

Date

Name of Advocate

Signature and Stamp

Annex E(1)

**Declaration regarding proper representation for people with
disabilities**

Applicable to the Bidder who are incorporated in Israel or who are registered as Foreign Companies as defined under the Corporation Law 5759-1999

Declaration according to sec. 2B1 of Public Entities Transaction Law, 5736 -1976.

I, the undersigned, _____ I.D. No. _____ after having been warned that I must declare the whole truth and that I can expect to incur the penalties prescribed by law should I not do so, hereby make the following declaration:

1. I hold the position of _____ in

_____ [name of the Bidder] (hereafter: the “**Company**”) and I am authorized to make this affidavit in its name and on its behalf in accordance the Public Entities Transactions Law, 5736-1976, (hereinafter the “Public Entities Transactions Law”)

2. This Affidavit constitutes an integral part of the Proposal for the Tender No. 100034743 issued by The Government Authority for Water and Sewage.

3. I hereby declare, following my examination and inspection, that by the date of this Affidavit, one of the following applies: [Mark the relevant options]

4.

Alternative A - The provisions of section 9 of the Equal Rights for People with Disabilities Law 1998 (the "Equal Rights Law") do not apply to the Company.^[1]

Alternative B - the provisions of Article 9 of the Equal Rights Law apply to the Company and it upholds them.

[A Bidder that has marked Alternative B above should mark one of the applicable sub-alternatives below]:

Alternative (1) – the Company employs less than 100 employees;

Alternative (2) – the Company employs at least 100 workers, and undertakes to contact the CEO of the Ministry of Labor, Social Affairs and Social Services in order to examine the implementation of its obligations under Article 9 of the Equal Rights Law, and if necessary - in order to receive instructions regarding their implementation.

In case the Company has undertaken in the past to contact the CEO of the Ministry of Labor, Social Affairs and Social Services in accordance with the provisions of an sub-alternative (2) above, and has entered into a transaction for which it undertook the obligation in sub-alternative (2) above -it declares that it made such contact, as required and if it

received guidelines for the implementation of its obligations under Article 9 of the Equal Rights Law, it has implemented them.

5. If the Company marked Alternative B in clause 4 above – the Company undertakes to provide a copy of the affidavit under clause 4 above to the CEO of the Ministry of Labour Social Affairs, within 30 days of the "date of the transaction" as the term is defined in the Public Entities Transactions Law -1976.
6. This is my name, my signature is provided below, and the content of my declaration as set out above is true.

Date

Signature

Confirmation

I, the undersigned _____ Adv., confirm that on _____
Mr/Ms _____ appeared before me in my office at _____ Street,
_____ (city), _____ and identified him/herself by their ID
no. _____, and after warning them that they were obliged to declare the truth
and would be liable to the penalties set out in the law if they did not do so, signed the
declaration before me.

Date

Name of Advocate

Signature and Stamp

[1] The provisions of sections 9 of the Equal Rights Law apply to the "Employer" as defined therein: "An employer who employs more than 25 employees, except the State or a different employer that section 15a of the Civil Service Law (Appointments), 1959, apply to.

Annex F

**Declaration regarding the compliance of the Bidder with Employment
Legislation**

I, the undersigned, _____, ID. _____, position in Bidder _____

After being warned that I must tell the truth and that I will be liable for the punishments provided in law if I do not do so, do hereby declare as follows:

1. I am making this declaration on behalf of _____ private company/association number _____, which is the entity wishing to contract with the Government (hereinafter: the “**Bidder**”). I hereby declare that I am qualified to provide this declaration on behalf of the entity.
2. I do hereby confirm that in the past year, 2015, the Bidder paid all its employees regularly as required in accordance with employment legislation, and any extension orders, collective agreements and individual agreements applying to them and, in any event, no less than the statutory minimum wage and social benefit payments as required.
3. I do hereby undertake that, should I be successful in this Tender, then throughout the period of the agreement which will be signed following my being named as successful bidder, I will abide by all the relevant employment legislation with regard to the staff to be employed by me.
4. This is my name, my signature is provided below, and the content of my declaration as set out above is true.

Date

Signature

Confirmation

I, the undersigned _____ Adv., confirm that on _____ Mr/Ms _____ appeared before me in my office at _____ Street, _____ (city), _____ and identified him/herself by their ID no. _____, and after warning them that they were obliged to declare the truth and would be liable to the penalties set out in the law if they did not do so, signed the declaration before me.

Date

Name of Advocate

Signature and Stamp

Annex G

Re: **Declaration regarding use of authorised software only**

I, the undersigned, _____, bearing ID. _____ and being the authorised signatory on behalf of the Bidder, _____ whose number is _____ (hereinafter: the “**Bidder**”), do hereby undertake in writing to comply with the requirement to use only authorised computer software for the purposes of performing all the services and works which are the subject of this Tender.

Date Signature

Confirmation

I, the undersigned, _____ Adv., in the service of the bidder, _____ whose identifying number is: _____ (hereinafter: the “**Bidder**”) do hereby confirm that the Bidder is legally registered in Israel and that Messrs _____ and _____, who signed this undertaking before me to comply with the requirement only to use authorised computer software, are authorised to do so on behalf of the Bidder.

Date Name of Advocate Signature and Stamp

Annex H

Declaration regarding compliance with the requirements of the Tender

We, the undersigned, _____, and _____, bearing IDs no. _____ and no. _____ (respectively) being the authorised signatories on behalf of the Bidder and authorised to provide an undertaking on behalf of the Bidder, _____, whose registered number is _____ (hereinafter: the “**Bidder**”), do hereby declare as follows:

1. We have read and understood the contents of this Tender, including the agreement along with its annexes (hereinafter: the “Tender Specification”).
2. We undertake on behalf of the Bidder to perform all the professional, organisational and other requirements of the Tender and that there is nothing to prevent the Bidder commencing the provision of services immediately upon the signing of the agreement, or at any other time that may be required.
3. We undertake that the Bidder and all the personnel which has been put forward on its behalf in the bid, comply with all the requirements and threshold requirements in this Tender Specification, without exception, including:
 - 3.1. The Bidder has at least 7 years’ experience, during the 10 years preceding the last date for the submission of bids in this Tender, in the management of engineering projects in the infrastructure fields that meet the following cumulative criteria:
 - 3.1.1. In the period preceding the last date for the submission of bids, it completed at least 3 projects with a minimum overall budget of USD 10 million (\$10,000,000) at least two of which were water or sewage infrastructure projects;
 - 3.1.2. At least one project with a minimum overall budget of USD one hundred million (\$100,000,000);
 - 3.1.3. At least one project that was carried out overseas (outside Israel).
 - 3.2. We undertake that each of the entities comprising the Bidder will not work for Mekorot Co. for the entire duration of our engagement and for a further year following the end of our work for the Authority, in the event of our being selected as the successful bidder.

3.3. The Project Manager being proposed by the Bidder complies with the following cumulative requirements:

3.3.1. Has been employed by the Bidder – meaning, for these purposes, one of the entities comprising the Bidder – for at least one year (out of the last three years).

3.3.2. Has at least a first degree from an academic institution in at least one of the following fields: Industrial Engineering and Management, or Water Engineering, or Civil Engineering, or Structural Engineering or Mechanical Engineering.

3.3.3. Has at least 10 years proven experience in project management in the field of construction and infrastructure. It should be clarified that the threshold requirements detailed in this Sub-Section have been set bearing in mind the central role that the proposed Project Manager will have in the provision of services and the need of the Water Authority for the consultancy of an experienced planning expert/engineer.

3.3.4. Has managed at least one construction or infrastructure project with an overall budget of at least USD 50 million (\$50,000,000).

3.4. The Team Leader being proposed by the Bidder complies with the following cumulative requirements:

3.4.1. Is an employee of the bidder or one of the members of the Bidder as at the date of the signing of the agreement.

3.4.2. A resident of Israel or living permanently in Israel with perfect command of Hebrew.

3.4.3. Has a recognised academic degree to at least first degree level in at least one of the following fields: civil engineering, or structural engineering, or water engineering, or agricultural engineering or industrial engineering and management. The degree is from an academic institution recognized by the Council for Higher Education or has been certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.

3.4.4. Is registered in the Registry of Engineers in one of the above-mentioned fields.

- 3.4.5. Has at least 7 years' experience in planning or supervision in the fields of water or civil engineering, out of which at least 5 years' experience in the field of management, construction, planning or the supervision of water or sewage infrastructure projects. It is important to note that the threshold requirement set out in this Sub-Section has been set bearing in mind the fact that the team leader will have a professional management role in the planning/engineering team and will be required to have experience of undertaking projects which by their nature are projects which continue over a number of years.
- 3.4.6. Has experience, in the 7 years prior to the final date for the submission of bids, of planning management, performance management, or construction management, or supervision management in at least three engineering projects, one of which must have been completed, and where each has an overall budget of at least USD 30 million (\$30,000,000).
- 3.5. Each of the members of the team being proposed by the Bidder complies with the following cumulative requirements:
- 3.5.1. The team member will be an employee of the bidder (or of a member of its group) on the date on which the bids are submitted.
- 3.5.2. An Israeli resident or permanently residing in Israel with perfect command of Hebrew.
- 3.5.3. Has a recognised academic degree to at least first degree level in at least one of the following fields: water engineering, or agricultural engineering or mechanical engineering or civil engineering, or structural engineering, or industrial engineering and management, from an academic institution which is recognised by the Council for Higher Education or which is certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.
- 3.5.4. Is registered in the Registry of Engineers in one of the above fields.
- 3.5.5. Has at least 3 years' experience in the 5 years preceding the final date for the submission of bids, in the management, planning, construction or supervision of engineering projects in the fields of water and sewage infrastructure.

3.6. The Project Coordinator being proposed by the Bidder complies with the following cumulative requirements:

3.6.1. Has a recognised academic degree to at least first degree level in one of the following fields: water engineering, or agricultural engineering or mechanical engineering or civil engineering, or structural engineering, or industrial engineering and management, from a recognised academic institution.

3.6.2. Is registered in the Registry of Engineers in one of the above fields.

3.6.3. Has at least five years' proven experience of managing infrastructure projects.

3.6.4. Has proven experience in working with public bodies in the advancing of statutory processes, in planning and building committees and in local authorities.

3.6.5. Has a high level of English including an ability to read professional literature and to run meetings in English.

3.7. The International Planner being proposed by the Bidder complies with the following cumulative requirements:

3.7.1. Has proven experience in performing planning as head planner on at least 5 water or sewage infrastructure projects in at least one country other than Israel each with an overall budget of at least USD 10 million (\$10,000,000).

3.7.2. Has proven experience in the 5 years preceding the last date for the submission of bids in this Tender, in performing the planning as head planner of at least one water or sewage project with an overall budget of USD 100 million (\$100,000,000).

3.8. The Normative Price List Consultant being proposed by the Bidder complies with the following cumulative requirements:

3.8.1. Has a recognised academic degree to at least first degree level in at least one of the following fields: civil engineering, or structural engineering, or water engineering, or agricultural engineering from an academic institution which is recognised by the Council for Higher Education or which is certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.

3.8.2. Is registered in the Registry of Engineers in one of the above fields.

- 3.8.3. Has at least 10 years' experience in the carrying out, the planning, management or supervision of water or sewage infrastructure projects.
- 3.9. The Drilling Consultant being proposed by the Bidder complies with the following cumulative requirements:
- 3.9.1. Has a recognized degree to at least first degree level in at least one of the following fields: civil engineering, structural engineering, water engineering, or geology or geological engineering, or mining engineering, or oil and gas engineering, or mechanical engineering or drilling engineering.
- 3.9.2. Has at least 5 years' proven experience in the performance, planning or supervision of water drilling projects.
- 3.9.3. Has proven experience during the five years preceding the last date for the submission of bids in the planning, or geological supervision or engineering supervision of at least one deep borehole (over 250 meters deep) and at least one shallow borehole (up to 250 meters deep).
- 3.9.4. Has proven experience of supervising at least one drilling project of the hammer drilling type and at least one drilling project using rotary drilling.
- 3.9.5. Has experience in the planning or supervision of the performance of at least two cleaning pump projects which include pumping tests.
4. We further undertake that, should the Bidder be selected as the Supplier who is the successful bidder in the Tender it will comply fully with all the requirements of a successful supplier without exception, including – safety requirements (after these have been examined by ourselves with the insurer for the Bidder and it has been ascertained that the Bidder complies with all these requirements without exception), the requirement of confidentiality and the requirement not to be in a position of conflict of interest.

Date

Signature

Confirmation

I, the undersigned, _____ Adv., in the service of the bidder, _____
whose number/ID is: _____ (hereinafter: the "Bidder") do hereby confirm
that the Bidder is legally registered in Israel and that Messrs _____, who
signed this undertaking before me to comply with all the requirements of this Tender
Specification, without exception, is authorised to do so on behalf of the Bidder.

Date

Name of Advocate

Signature and Stamp

Annex I(1)

Details of experience of Bidder

A. Description of Bidder

Name of Bidder: _____

Registered number: _____

Address: _____

Telephone: _____

Fax: _____

Name of contact person and role: _____

Telephone number of contact person: _____

B. Details of Professional Experience

The Bidder should provide details of the Bidder's experience as set out below:

Name of Project	Context of Project/Name of Procurer of Services	Date of commencement of services (day-month-year)	Date of completion of services (day-month-year)	Exact details of substance of services provided (what was done, no. of staff, no. of items of work in parallel, and other details)	No. of hours worked	Financial scope of the project	Details of contact person on project – (address and telephone)

Notes:

1. Where necessary, additional rows may be inserted in the table.
2. For each row to be completed all the columns must be completed in accordance with the details required in the heading. Additional details may also be added.
3. Failure to complete this annex as required is liable to lead to the disqualification of the bid.

In witness whereof I have set my signature below:

Date

Signature and Stamp

Annex I(2)

Details of experience of Bidder's Project Manager

Fill out all the tables and the declaration at the end of this Annex

Name of Employee	ID	Date of Birth	Telephone	Years' experience in the field

Education Details

	Field of Degree	Academic Institution	From (date)
First Degree			
Second Degree			
Third Degree			

Details of Work Performed

Name of Project	Context of Project/Name of Procurer of Services	Date of commencement of services (day-month-year)	Date of completion of services (day-month-year)	Exact details of substance of services provided (what was done, no. of staff, no. of items of work in parallel, and other details)	No. of hours worked	Financial scope of the project	Details of contact person on project – (address and telephone)

Notes:

1. Where necessary, additional rows may be inserted in the table.
2. For each row to be completed all the columns must be completed in accordance with the details required in the heading. Additional details may also be added.

3. A detailed curriculum vitae (resume) should be attached, along with academic certificates and certificates testifying to training and experience as required in accordance with the Tender documentation, and written references. With regard to the references please note that a list of referees or a list of contact persons or a list of project coordinators is not the same as written references. It should also be noted that the letters of reference should relate to the particular professional being put forward or relate to the Bidder and make explicit reference solely to the identity of the particular professional being put forward.
4. Failure to complete this annex as required is liable to lead to the disqualification of the bid.

The proposed Project Manager should complete everything required in the declaration below, in accordance with his own particulars and with reference to all the threshold requirements demanded of him in the Tender documentation:

I hereby declare as follows:

1. I have been employed by the Bidder – meaning, for these purposes, one of the entities comprising the Bidder – for at least one year (out of the last three years).
2. I have a recognised degree to at least first degree level from an academic institution in at least one of the following fields: Industrial Engineering and Management, or Water Engineering, or Civil Engineering, or Structural Engineering or Mechanical Engineering.
3. I have at least 10 years proven experience in project management in the field of construction and infrastructure. Please note that the threshold requirements detailed in this Sub-Section have been set bearing in mind the central role that the proposed Project Manager will have in the provision of services and the need of the Water Authority for the consultancy of an experienced planning expert/engineer.
4. I have managed at least one construction or infrastructure project with an overall budget of at least USD 50 million (\$50,000,000).

In witness whereof I have set my signature below:

Date

Signature and Stamp

Annex I(3)

Details of experience of Bidder's Control Team Leader

Fill out all the tables and the declaration at the end of this Annex

Name of Employee	ID	Date of Birth	Telephone	Years experience in the field	Appointed task in the team

Education Details

	Field of Degree	Academic Institution	From (date)
First Degree			
Second Degree			
Third Degree			

Details of Work Performed

Name of Project	Context of Project/Name of Procurer of Services	Date of commencement of services (day-month-year)	Date of completion of services (day-month-year)	Exact details of substance of services provided (what was done, no. of staff, no. of items of work in parallel, and other details)	No. of hours worked	Financial scope of the project	Details of contact person on project – (address and telephone)

Notes:

1. Where necessary, additional rows may be inserted in the table.
2. For each row to be completed all the columns must be completed in accordance with the details required in the heading. Additional details may also be added.

3. A detailed CV (resume) should be attached, along with academic certificates and certificates testifying to training and experience as required in accordance with the Tender documentation, and written references. With regard to the references please note that a list of referees or a list of contact persons or a list of project coordinators is not the same as written references. It should also be noted that the letters of reference should relate to the particular professional being put forward or relate to the Bidder and make explicit reference solely to the identity of the particular professional being put forward.
4. Failure to complete this annex as required is liable to lead to the disqualification of the bid.

The proposed Control Team Leader should complete everything required in the declaration below, in accordance with his own particulars and with reference to all the threshold requirements demanded of him in the Tender documentation:

I hereby declare as follows:

1. I am an employee of the Bidder or one of the members of the Bidder as at the date of the signing of the agreement.
2. I am a resident of Israel or living permanently in Israel with perfect command of Hebrew.
3. I have a recognised academic degree to at least first degree level in at least one of the following fields: civil engineering, or structural engineering, or water engineering, or agricultural engineering or industrial engineering and management from an academic institution recognized by the Council for Higher Education or has been certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.
4. I am registered in the Registry of Engineers in one of the above-mentioned fields.
5. I have at least 7 years' experience in planning or supervision in the fields of water or civil engineering, out of which at least 5 years' experience in the field of management, construction, planning or the supervision of water or sewage infrastructure projects. It is important to note that the threshold requirement set out in this Sub-Section has been set bearing in mind the fact that the team leader will have a professional management role in the planning/engineering team and will be required to have experience of undertaking projects which by their nature are projects which continue over a number of years.
6. I have had experience, in the 7 years prior to the final date for the submission of bids, of planning management, performance management, or construction management, or supervision management in at least three engineering projects, one of which must have been completed, and where each has an overall budget of at least USD 30 million (\$30,000,000).

**Water Authority
Tender Committee**

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co.
water projects in Israel

**State of Israel
Development Division**

In witness whereof I have set my signature below:

Date

Signature and Stamp

Annex I(4)

Details of experience of member of Bidder's team

Fill out all the tables and the declaration at the end of this Annex

Every member of the Bidder's team must complete this Annex

Team member no. 1 2 3

Name of Employee	ID	Date of Birth	Telephone	Years of experience in the field

Education Details

	Field of Degree	Academic Institution	From (date)
First Degree			
Second Degree			
Third Degree			

Details of Work Performed

Name of Project	Context of Project/Name of Procurer of Services	Date of commencement of services (day-month-year)	Date of completion of services (day-month-year)	Exact details of substance of services provided (what was done, no. of staff, no. of items of work in parallel, and other details)	No. of hours worked	Financial scope of the project	Details of contact person on project – (address and telephone)

Notes:

1. Where necessary, additional rows may be inserted in the table.

2. For each row to be completed all the columns must be completed in accordance with the details required in the heading. Additional details may also be added.
3. A detailed CV (resume) should be attached, along with academic certificates and certificates testifying to training and experience as required in accordance with the Tender documentation, and written references. With regard to the references please note that a list of referees or a list of contact persons or a list of project coordinators is not the same as written references. It should also be noted that the letters of reference should relate to the particular professional being put forward or relate to the Bidder and make explicit reference solely to the identity of the particular professional being put forward.
4. Failure to complete this annex as required is liable to lead to the disqualification of the bid.

The proposed team member should complete everything required in the declaration below, in accordance with his own particulars and with reference to all the threshold requirements demanded of him in the Tender documentation:

I hereby declare as follows:

1. I am an employee of the bidder (or of one of the members of the Bidder) on the date for the submission of the bids.
2. I am an Israeli resident or permanently residing in Israel with perfect command of Hebrew.
3. I have a recognised academic degree to at least first degree level in at least one of the following fields: water engineering, or agricultural engineering or mechanical engineering or civil engineering, or structural engineering, or industrial engineering and management, from an academic institution which is recognised by the Council for Higher Education or which is certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.
4. I am registered in the Registry of Engineers in one of the above fields.
5. I have at least 3 years' experience in the 5 years preceding the final date for the submission of bids, in the management, planning, construction or supervision of engineering projects in the fields of water and sewage infrastructure.

In witness whereof I have set my signature below:

Date

Signature and Stamp

Annex I(5)

Details of experience of Bidder's Project Coordinator

Fill out all the tables and the declaration at the end of this Annex

Name of Employee	ID	Date of Birth	Telephone	Years of experience in the field

Education Details

	Field of Degree	Academic Institution	From (date)
First Degree			
Second Degree			
Third Degree			

Details of Work Performed

Name of Project	Context of Project/Name of Procurer of Services	Date of commencement of services (day-month-year)	Date of completion of services (day-month-year)	Exact details of substance of services provided (what was done, no. of staff, no. of items of work in parallel, and other details)	No. of hours worked	Financial scope of the project	Details of contact person on project – (address and telephone)

Notes:

1. Where necessary, additional rows may be inserted in the table.
2. For each row to be completed all the columns must be completed in accordance with the details required in the heading. Additional details may also be added.

3. A detailed CV (resume) should be attached, along with academic certificates and certificates testifying to training and experience as required in accordance with the Tender documentation, and written references. With regard to the references please note that a list of referees or a list of contact persons or a list of project coordinators is not the same as written references. It should also be noted that the letters of reference should relate to the particular professional being put forward or relate to the Bidder and make explicit reference solely to the identity of the particular professional being put forward.
4. Failure to complete this annex as required is liable to lead to the disqualification of the bid.

The proposed Project Coordinator should complete everything required in the declaration below, in accordance with his own particulars and with reference to all the threshold requirements demanded of him in the Tender documentation:

I hereby declare as follows:

1. I have a recognised academic degree to at least first degree level in one of the following fields: water engineering, or agricultural engineering or mechanical engineering or civil engineering, or structural engineering, or industrial engineering and management, from a recognised academic institution.
2. I am registered in the Registry of Engineers in one of the above fields.
3. I have at least five years' proven experience of managing infrastructure projects.
4. I have proven experience in working with public bodies in the advancing of statutory processes, in planning and building committees and in local authorities.
5. I have a high level of English including an ability to read professional literature and to run meetings in English.

In witness whereof I have set my signature below:

Date

Signature and Stamp

Annex I(6)

Details of experience of Bidder's International Planner

Fill out all the tables and the declaration at the end of this Annex

Name of Employee	ID	Date of Birth	Telephone	Years of experience in the field

Education Details

	Field of Degree	Academic Institution	From (date)
First Degree			
Second Degree			
Third Degree			

Details of Work Performed

Name of Project	Context of Project/Name of Procurer of Services	Date of commencement of services (day-month-year)	Date of completion of services (day-month-year)	Exact details of substance of services provided (what was done, no. of staff, no. of items of work in parallel, and other details)	No. of hours worked	Financial scope of the project	Details of contact person on project – (address and telephone)

Notes:

1. Where necessary, additional rows may be inserted in the table.
2. For each row to be completed all the columns must be completed in accordance with the details required in the heading. Additional details may also be added.

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co. water projects in Israel

3. A detailed resume should be attached, along with academic certificates and certificates testifying to training and experience as required in accordance with the Tender documentation, and written references. With regard to the references please note that a list of referees or a list of contact persons or a list of project coordinators is not the same as written references. It should also be noted that the letters of reference should relate to the particular professional being put forward or relate to the Bidder and make explicit reference solely to the identity of the particular professional being put forward.
4. Failure to complete this annex as required is liable to lead to the disqualification of the bid.

The proposed International Planner should complete everything required in the declaration below, in accordance with his own particulars and with reference to all the threshold requirements demanded of him in the Tender documentation:

I hereby declare as follows:

1. I have proven experience in performing planning as head planner on at least 5 water or sewage infrastructure projects in at least one country other than Israel each with an overall budget of at least USD 10 million (\$10,000,000).
2. I have proven experience in the 5 years preceding the last date for the submission of bids in this Tender, in performing the planning as head planner of at least one water or sewage project with an overall budget of USD 100 million (\$100,000,000).

In witness whereof I have set my signature below:

Date

Signature and Stamp

Annex I(7)

Details of experience of Bidder's Consultant for the Normative Price List

Fill out all the tables and the declaration at the end of this Annex

Name of Employee	ID	Date of Birth	Telephone	Years of experience in the field

Education Details

	Field of Degree	Academic Institution	From (date)
First Degree			
Second Degree			
Third Degree			

Details of Work Performed

Name of Project	Context of Project/Name of Procurer of Services	Date of commencement of services (day-month-year)	Date of completion of services (day-month-year)	Exact details of substance of services provided (what was done, no. of staff, no. of items of work in parallel, and other details)	No. of hours worked	Financial scope of the project	Details of contact person on project – (address and telephone)

Notes:

1. Where necessary, additional rows may be inserted in the table.
2. For each row to be completed all the columns must be completed in accordance with the details required in the heading. Additional details may also be added.

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co. water projects in Israel

3. A detailed resume should be attached, along with academic certificates and certificates testifying to training and experience as required in accordance with the Tender documentation, and written references. With regard to the references please note that a list of referees or a list of contact persons or a list of project coordinators is not the same as written references. It should also be noted that the letters of reference should relate to the particular professional being put forward or relate to the Bidder and make explicit reference solely to the identity of the particular professional being put forward.
4. Failure to complete this annex as required is liable to lead to the disqualification of the bid.

The proposed Consultant for the Normative Price List should complete everything required in the declaration below, in accordance with his own particulars and with reference to all the threshold requirements demanded of him in the Tender documentation:

I hereby declare as follows:

1. I have a recognised academic degree to at least first degree level in at least one of the following fields: civil engineering, or structural engineering, or water engineering, or agricultural engineering from an academic institution which is recognised by the Council for Higher Education or which is certified by the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.
2. I am registered in the Registry of Engineers in one of the above fields.
3. I have at least 10 years' experience in the carrying out, the planning, management or supervision of water or sewage infrastructure projects.

In witness whereof I have set my signature below:

Date

Signature and Stamp

Annex I(8)

Details of experience of Bidder's Drilling Consultant

Fill out all the tables and the declaration at the end of this Annex

Name of Employee	ID	Date of Birth	Telephone	Years of experience in the field

Education Details

	Field of Degree	Academic Institution	From (date)
First Degree			
Second Degree			
Third Degree			

Details of Work Performed

Name of Project	Context of Project/Name of Procurer of Services	Date of commencement of services (day-month-year)	Date of completion of services (day-month-year)	Exact details of substance of services provided (what was done, no. of staff, no. of items of work in parallel, and other details)	No. of hours worked	Financial scope of the project	Details of contact person on project – (address and telephone)

Notes:

1. Where necessary, additional rows may be inserted in the table.
2. For each row to be completed all the columns must be completed in accordance with the details required in the heading. Additional details may also be added.

3. A detailed CV (resume) should be attached, along with academic certificates and certificates testifying to training and experience as required in accordance with the Tender documentation, and written references. With regard to the references please note that a list of referees or a list of contact persons or a list of project coordinators is not the same as written references. It should also be noted that the letters of reference should relate to the particular professional being put forward or relate to the Bidder and make explicit reference solely to the identity of the particular professional being put forward.
4. Failure to complete this annex as required is liable to lead to the disqualification of the bid.

The proposed Drilling Consultant should complete everything required in the declaration below, in accordance with his own particulars and with reference to all the threshold requirements demanded of him in the Tender documentation:

I hereby declare as follows:

1. I have a recognized degree to at least first degree level in at least one of the following fields: civil engineering, structural engineering, water engineering, or geology or geological engineering, or mining engineering, or oil and gas engineering, or mechanical engineering or drilling engineering.
2. I have at least 5 years' proven experience in the performance, planning or supervision of water drilling projects.
3. I have proven experience during the five years preceding the last date for the submission of bids in the planning, or geological supervision or engineering supervision of at least one deep borehole (over 250 meters deep) and at least one shallow borehole (up to 250 meters deep).
4. I have proven experience of supervising at least one drilling project of the hammer drilling type and at least one drilling project using rotary drilling.
5. I have experience in the planning or supervision of the performance of at least two cleaning pump projects which include pumping tests.

In witness whereof I have set my signature below:

Date

Signature and Stamp

Annex J

Declaration regarding Confidential Sections of Bid in the event of success in the Tender

Name of Bidder: _____ **Private Co./Association No.** _____

On behalf of the Bidder we request that, in the event of our being successful in the Tender, the following confidential sections of our Bid should not be shown to other bidders:

Section No.	Page in Bid	Subject	Reasons for Request

We hereby declare as follows:

1. We are aware that if we do not complete this Annex, our Bid will be considered not to contain Confidential Sections.
2. We are aware that the marking of a part of our bid as confidential constitutes our agreement that the parallel parts of other bids are confidential, and that as far as we are concerned this constitutes an estoppel with respect to those parts of other bids.
3. We are aware of and agree that the final and exclusive authority with regard to a decision on the confidentiality of these sections is solely that of the Tender Committee.

Attached hereto is a CD copy of our bid with the sections detailed in the table above -redacted.

Date	Name of Bidder	Names of Authorised Signatories	Signature	Stamp of Bidder

Annex K

Details concerning the Bidder and Contact Person on behalf of the Bidder

A. Details concerning the Bidder:

The Details									
Name of Bidder									
Identifying number (private co./private partnership/association/ID no.)									
Type of incorporation (company, partnership, authorised dealer)						Date set up			
Name of CEO/Manager									
Address of Bidder									
City		Street		No.		P.O.B		Post-code	
				Fax no.					

B. Details of Contact Person for purposes of Tender Process

First Name		Surname	
Telephone no.		Mobile no.	
Fax no.		Role	
Email	@		

C. Other tenders and contracts where the Bidder entity is currently engaged by Water Authority

Unit in Water Authority	No. of Tender or Contract	Period of Contract	Name of Tender or Contract
		From: _____ To: _____	
		From: _____ To: _____	

D. Declaration and Signatures

I hereby confirm that all the details provided above are full and exact

Date		Signature of Bidder	Stamp of Bidder

Annex L

Form for Confirmation of Submission of Documents

I am attaching to my bid the following documents and authorisations (ring yes/no as appropriate):

No.	Document	Comments	
1.	Declaration regarding prevention of risk of conflict of interest	Annex B	Yes / No
2.	Bid Bond	Annex C	Yes / No
3.	Confirmation of management of book of accounts and reporting		Yes / No
4.	Intentionally deleted.		Yes / No
5.	Confirmation of Company not in Breach	Company extract	Yes / No
6.	Certification of Incorporation		Yes / No
7.	Extract from Companies Registrar		Yes / No
8.	Confirmation of registration of corporation and authorised signatories	Annex D	Yes / No
9.	Declaration regarding payment of minimum wage and not employing foreign workers illegally	Annex E	Yes / No
10.	Declaration regarding proper representation for people with disabilities, according to the Public Entities Transaction Law, 5736 - 1976	Annex E(1)	Yes / No
11.	Declaration regarding compliance of Bidder with employment law	Annex F	Yes / No
12.	Declaration regarding use of authorised computer software only	Annex G	Yes / No
13.	Declaration regarding compliance with all the Tender requirements	Declaration Annex H	Yes / No
14.	Experience certification	According to Annexes I(1)-(8)	Yes / No
15.	Work Programme (methodology)		Yes / No
16.	Declaration regarding Confidential Sections in Bid	Annex J	Yes / No
17.	Price Proposal	In accordance with Section 7 and Annex A	Yes / No
18.	Signed Tender documents, including responses to Requests for Clarification		Yes / No
19.	Details concerning the Bidder and contact person on Bidder's behalf	Annex K	Yes / No
20.	Agreement signed at the bottom of each page		Yes / No
21.	Detailed resume of each proposed staff member		Yes / No
22.	Letters of reference		Yes / No
23.	Copy of the full bid on CD / copy of the bid on CD with Confidential Sections redacted		Yes / No

**Water Authority
Tender Committee**

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co.
water projects in Israel

**State of Israel
Development Division**

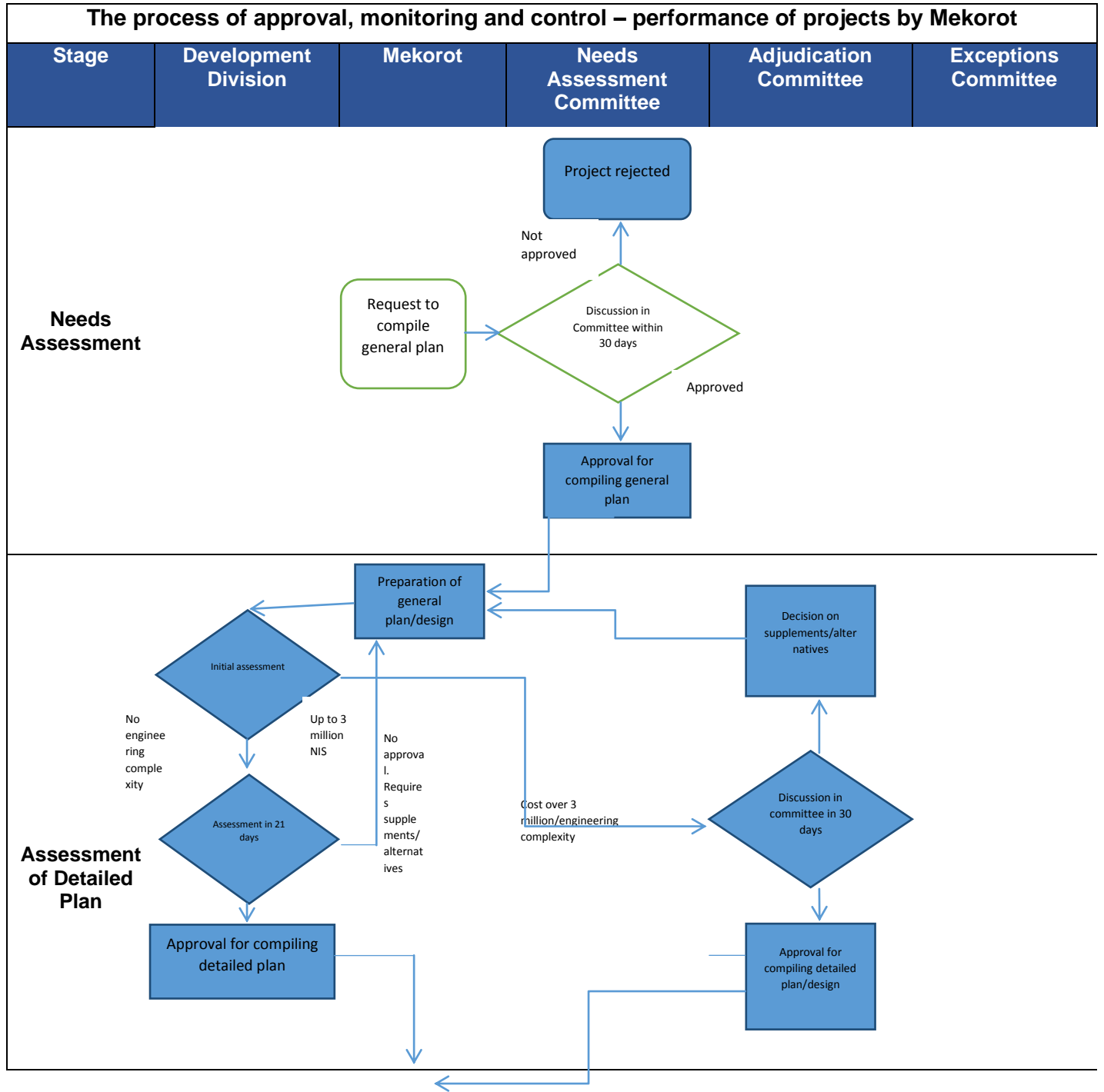
We hereby certify that all of the details provided above are full and accurate:

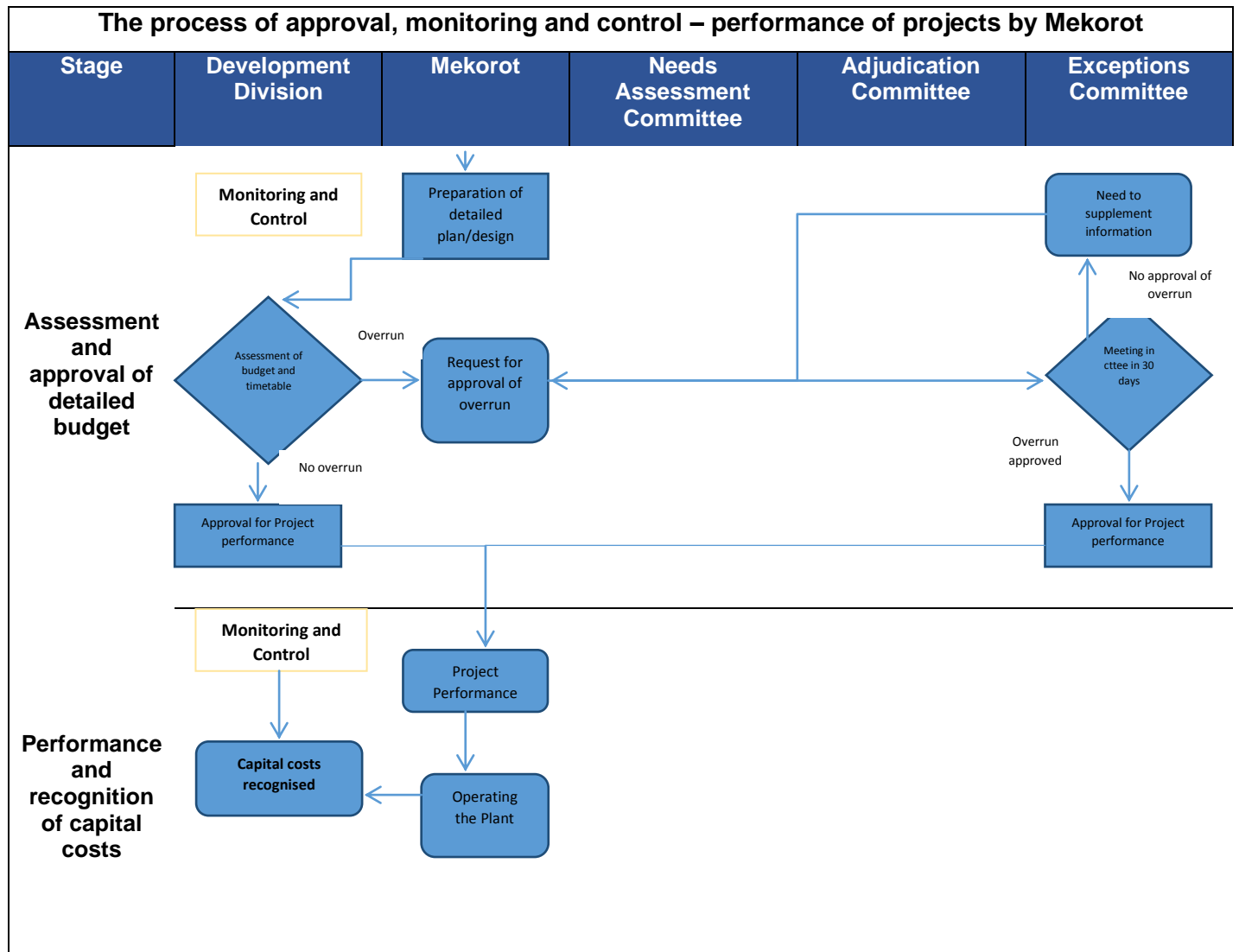
Date		Signature of Bidder		Stamp of Bidder

Annex M

Flowchart

[see full translation and explanation below]





Translation of items in Flow-chart – Items in italics in parentheses indicate column headings (i.e. party responsible for carrying out task):

Row 1: Needs Assessment:

Request to draw up a general plan [*Mekorot*] – Discussion in Committee within 30 days [*Needs Assessment Committee*]

Then:

Approved – Approval for drawing up general plan [*Needs Assessment Committee*]

Or:

Not approved – Project rejected [*Needs Assessment Committee*]

Row 2: Assessment of general plan:

Preparation of general plan/design [*Mekorot*]

Initial assessment [*Development Division*] –

Cost up to 3 million NIS and absence of engineering complexity - Assessment of programme within 21 days [*Development Division*] –

Then:

Approved – Approval for compiling detailed plan (design) [*Development Division*]/

Or:

No approval – Need to supplement or complete missing elements/propose alternatives [*back to*] preparation of general plan/design [*Mekorot*]

Or:

Initial assessment –

Cost over 3 million or engineering complexity – discussion in committee within 30 days [*Adjudication Committee*] –

Then:

Approved – Approval for compiling detailed plan/design [*Adjudication Committee*],

Or:

Not approved – Decision over obtaining supplements / alternatives [*Adjudication Committee*] – [*back to*] – preparation of general plan/design [*Mekorot*]

Row 3: Assessment and approval of detailed budget

Monitoring and Control

Preparation of detailed plan [*Mekorot*] – Assessment of budget and timetable [*Development Division*] –

No overrun (of budget or time) – Approval for project performance [*by Development Division*] –

Or:

Overrun (of budget or time) – Request for approval for overrun [*submitted by Mekorot*] – Discussion in Committee within 30 days [*Exceptions Committee*] –

Then:

Overrun approved – Approval for project performance [*Exceptions Committee*]

Or:

Overrun not approved – Decision over getting completions [*Exceptions Committee*] – [*back to*] Request for approval of overrun [*Mekorot*]

Row 4: Performance and recognition of capital costs

**Water Authority
Tender Committee**

**State of Israel
Development Division**

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co.
water projects in Israel

Monitoring and Control – Recognition of capital costs [*by Development Division*]

Performance [*by Mekorot*] – Operating the plant [*Mekorot*] – Recognition of capital costs [*by Development Division*]

Annex N

Payment Milestones for the provision of consultancy services for Normative Price List and Performance Standard and Drilling Consultancy

Normative Price List and Performance Standard

	Main Tasks and Timetable	Final Completion Date counting from contract signature (in months)	Payment Milestones Percentage of the Total Payment for the Task
1.	Assessment of standard of performance of pipelines, pumping stations and pools – in Israel and abroad		
1.1.	Interim Report	4	5%
1.2.	Receipt of comments and discussion	6	-
1.3.	Final Report	8	5%
2.	Assessment of Prices – in Israel and abroad		
2.1.	Interim Report	4	5%
2.2.	Receipt of comments and discussion	6	-
2.3.	Final Report	8	5%
3.	Preparation of proposed Normative Price List and Performance Standard		
3.1.	Interim Report	10	5%
3.2.	Receipt of comments and discussion on report update		-
3.3.	Final Report	12	10%
4.	Preparation of Price List (including discussions with Mekorot) and update of Price List	24	40% (by calendar quarterly payment subject to actual performance of everything required during period to which payment applies)
5.	Final Report – Recommendations		
5.1.	Submission of draft of the report	20	-
5.2.	Receipt of comments and submission of final report	24	25%

Annex O

**State Directive on Regulation Finance and Economy No. 13.9.2 and Notice
on Regulation, Finance and Economy No. 13.9.2.1.E - Tariffs for
Contracting with External Service Providers**

Name of Directive: Contracting with External Service Providers

Main Chapter: Management of budgets for salaries, pensions and manpower Directive No.: 13.9.2

Secondary Chapter: Employing contractors, manpower and external service providers Version: 04

Key words:

Ad-hoc contract, on-going contract, external services provider, training performance, reimbursement of travel expenses, time wasting, risk management

1. General

- 1.1. Government Ministries are sometimes required to contract directly for a set period with persons having a particular expertise or knowledge and to do so outside an employer-employee relationship, for the purposes of providing consultancy or a service in their area of expertise.
- 1.2. For guidelines regarding contracting with external contractors employing external service providers, see: [State Directive on Regulation Finance and Economy, “Contracting for the procurement of manpower services” no. 7.11.2](#)

2. Purpose of this document

To direct Ministry accountants and other bodies in Government Ministries regarding the payment rules and tariffs for the provision of services. It should be made clear that the rules set out in this directive are subject to the Mandatory Tender Regulations, 5753 – 1993

3. Definitions

- 3.1. Ad-hoc contract – any contract with a service provider which does not exceed 200 hours, excluding a contract with an accountant.
- 3.2. A new or separate contract – a contract where the substance of the project or task, for the purposes of the performance of which the Government has contracted with the service provider, is different from the substance of the project or task for the purposes of the performance of which the previous or separate contract was entered into with the same service provider.
- 3.3. On-going contract – any contract with a service provider of a scope equal to 200 hours or more, excluding a contract with an accountant.
- 3.4. A service performed by the office/company of external service providers – a service which satisfies all the following cumulative conditions:

- 3.4.1. The contracting agreement in respect of the provision of the service was signed with the company/partnership.
- 3.4.2. The service provider works for or is a partner of the company/partnership.
- 3.4.3. The company/partnership employs at least 3 professional service providers in the field in which the consultancy is being provided.
- 3.4.4. The company has its own administrative set-up (such as secretarial and printing, office overheads and so forth).
- 3.5. A service performed by a service provider that is not employed by an office/company – a service which does not meet the conditions stipulated in Section 3.4 above.
- 3.6. Work hour – 60 minutes.
- 3.7. A period (in this directive) – up to 6 consecutive calendar months.

4. Performance Guidelines

- 4.1. The following guidelines will apply to contracts where all the following conditions apply:
 - 4.1.1. The contract is with an external service provider for providing a service to a time-bound project or a finite task. At the end of the project or task the contract will end.
 - 4.1.2. The service provider has a particular expertise in the relevant field of the service, and it is not possible to employ the service provider as a regular State employee.
- 4.2. Preference for pricing by output
 - 4.2.1. Any approach for proposals from external service providers should define clearly and fully what the required services are which form the subject of that contract (hereinafter: “output”), and the bidder shall be required to submit an overall price proposal for the output being sought (hereinafter: the “consideration”).
 - 4.2.2. A contract with a service provider should not be based on an hourly tariff, except in those cases where the tender committee has decided that it is not possible to define what the required output is as part of such a contract.
- 4.3. Contracting by an hourly rate
 - 4.3.1. In those cases where the tender committee has approved contracting with a service provider based on an hourly tariff, as set forth in Section 4.2.2 above, the bidder shall be required to submit a price proposal for an hourly rate of work, which rate shall not exceed the rates set out in the [Notice “Tariffs for Contracting with External Service Providers”, no. E 13.9.2.1.](#)
 - 4.3.2. The tariffs set out in the [Notice “Tariffs for Contracting with External Service Providers”, no. E 13.9.2.1.](#) are **maximum tariffs**. Payment will be in accordance with the actual professional level of the service provider.

- 4.3.3. The tariffs to which this directive refers and which appear in [Notice “Tariffs for Contracting with External Service Providers”, no. E 13.9.2.1.](#) shall not include VAT, in accordance with the law.
- 4.3.4. Where the Ministry has contracted with an external service provider based on an hourly rate, the procurer shall require the external service provider upon submitting an invoice for payment to provide the [Form, “Declaration regarding performance of hours of work and actual trips made”, no. I 13.9.2.1](#)
- 4.3.5. The procurer receiving the services shall confirm in writing the number of hours declared accords with the substance and scope of the actual services performed.
- 4.3.6. Maximum scope of a contract for a period in an on-going contract for an hourly rate
- 4.3.6.1. The scope of an on-going contact with an external service provider at an hourly rate shall not exceed 180 hours per month on average for the period, except in those cases where a specific approval has been granted for deviating from this scope from the salaries division at the Office of the Accountant General. The request for a specific approval shall only be addressed after the Ministry accountant has given his input on the matter.
- 4.3.7. The Ministry accountant shall, at least once a year, perform a check on the application of the guidelines with regard to an hourly tariff.
- 4.4. Contracting with consultants, planners and providers of psychological services
- 4.4.1. The tariffs set out in the [Notice “Tariffs for Contracting with External Service Providers”, no. E 13.9.2.1.](#) are tariffs for **ad-hoc** contracting only.
- 4.4.2. In contracts with consultants, planners and providers of psychological services, where the period for the ad-hoc contract needs to be extended, the procurer shall act as follows:
- 4.4.2.1. Where the contract period is to be extended by 50% or more compared to the original contract period, whether by means of a single extension or a number of extensions, the tariff for the external service provider beginning with the 201st hour for the service provider shall be in accordance with the tariffs for on-going contracts.
- 4.4.3. For **on-going** contracts the following maximum tariffs shall be paid:
- 4.4.3.1. For a service being performed by an office/company of external service providers payment shall be made at the rate of 90% of the tariff stipulated in the contract agreement [subject to the maximum tariffs set out in [Notice “Tariffs for Contracting with External Service Providers”, no. E 13.9.2.1.](#)].
- 4.4.3.2. For a service being performed by a service provider that is not an office/company, payment shall be made at the rate of 80% of the tariff stipulated in the contract agreement subject to the maximum tariffs set out

in [Notice “Tariffs for Contracting with External Service Providers”, no. E 13.9.2.1.](#)

4.4.3.3. Additional reduction for a full scope of work for an on-going period

4.4.3.3.1. A reduction of 10% from the tariff shall apply to the hourly rate for the external services provider employed for over 180 hours a month on average for a period as defined in this directive or, alternatively, for a contract period for the service provider which exceeds two years. This reduction shall apply to the tariffs after the reduction set forth in Section 4.4.3.

4.4.3.3.2. The duration of the contract period for the purposes of the reduction, as provided above, shall be calculated from the date of the first contracting with the external services provider. Where the contracting period has been extended in a separate contract for the same project, the present contract period shall be considered as a continuation of the previous contract period as regards the number of months or hours of the contract.

4.4.3.4. In those cases where a contract is made with one service provider in a series of new or separate contracts, each contract period shall be considered separately when reckoning the duration of the contract period.

4.4.4. Sections 4.4.2 and 4.4.3 shall not apply to contracts with accountants.

4.5. Contract for the receipt of consultancy services in risk management

4.5.1. The guidelines set out in Section 4.4 above apply to the receipt of consultancy services in risk management. In this regard the following definitions shall apply:

4.5.2. “Experience in a relevant field to that in which the consultancy work is required” – shall be considered one of the following:

4.5.2.1. Performance and accompaniment of internal control and review procedures, SOX procedures and ISOX (Goshen) procedures in a company.

4.5.2.2. Performance of internal control and review procedures, assessment of control and assessment of risks in the fields of information systems, and also review of information systems in a company or organisation.

4.5.3. “Experience in risk management” – shall be considered one of the following:

4.5.3.1. Experience in risk management including Enterprise Risk Management (ERM).

4.5.3.2. Experience in operational risk management.

4.5.3.3. Experience in IT risk management and information systems risk management.

4.6. Contracting with accountants

4.6.1. Every contract between a Government body and an external accountant shall be carried out as set forth in [State Directive on Regulation Finance and Economy, “Data bank of accountants” no. 7.19.1.](#)

4.6.2. The price proposal shall be unified and specify the amount required by the supplier for an hour of work (accountant and interns), and shall not exceed the maximum tariff stipulated in [Notice “Tariffs for Contracting with External Service Providers”, no. E 13.9.2.1.](#)

4.7. Education and experience

4.7.1. An academic degree shall be considered to be a degree acquired at an academic institution recognised by the Council for Higher Education.

4.7.2. A service provider with an academic degree from an academic institution abroad shall provide certification as to the weight of the academic degree from abroad from the Unit for Evaluation of Foreign Academic Degrees at the Ministry of Education.

4.7.3. Professional experience shall be considered as **experience in the relevant professional field** in which the consultancy work is being sought, beginning at the date of entitlement to a first degree or any other recognised professional degree. The particular experience will be recognised following the submission by the external service provider of the requisite confirmation and certification. It may be possible to recognise professional experience acquired before receipt of a degree only if such experience is in the field of the role occupied by the consultant.

4.7.4. For the purposes of validation of relevant experience the service provide will be required to submit a declaration with regard to his previous work experience. The validation of documents shall be carried out by the tender committee.

4.8. Carrying out training

4.8.1. An external service provider, who as part of the provision of services is required to carry out training, shall not be entitled to the training tariffs but shall be entitled to the tariffs of the contract in accordance with this directive.

4.9. Additional payments in lieu of outputs

4.9.1. The service provider whose profile conforms to one of the groups provided for in the above Sections, **shall not receive any payment or other benefit in lieu of outputs**, including payments for telephone expenses, post, photocopying, printing, fax, board and lodging, per diem, allowance for daily expenses and so forth.

4.10. Reimbursement of travel expenses

4.10.1. Entitlement of external service providers to receive reimbursement of expenses for work travel

- 4.10.1.1. The Ministry compiling the tender shall be entitled to stipulate that the external service provider shall not receive reimbursements of expenses for work travel, all at the compiler's discretion and giving due weight to the frequency of such travel and the reasonableness of such reimbursement or otherwise.
- 4.10.1.2. Where it is decided that it will be possible to pay the external service provider a reimbursement for work travel, then the payment for a journey from the external service provider's fixed place of work to the place where the service is to be provided shall be made in cases where **all** of the following conditions apply:
- 4.10.1.2.1. The journey distance of the external service provider from his fixed place of work to the place where the service is being provided is more than 30 km.
- 4.10.1.2.2. The journey involves an expense on the part of the external service provider.
- 4.10.1.2.3. Upon submitting a payment invoice the external service provider has signed the [Form, "Declaration regarding travel for work by an external service provider", no. I.13.9.2.2.](#)
- 4.10.1.3. The payment to the services provider shall be made for the number of kilometres travelled multiplied by the tariff, as set out in the [Notice, "Reimbursement of expenses of travel for work for external service providers – Tariffs", no E. 13.9.2.2.](#)
- 4.10.1.4. The distance between points of travel shall be determined in accordance with the table of distances published by the salaries division at the Office of the Accountant General [see [State Directive on Regulation Finance and Economy, "Reimbursement of expenses of travel for work by private car", no. 13.4.1](#)]. In cases where there is no information regarding a particular destination, the distance shall be calculated according to the city nearest to the destination indicated on the distances table. In any event the distance between points of travel shall not be calculated based on the discretion of the service provider or based on a report submitted in his behalf.
- 4.10.1.5. An external services provider shall not be entitled to reimbursement of travel expenses for travel in a Government vehicle or for travelling as a passenger in another vehicle, nor will such service provider be entitled to double payment where a number of service providers are travelling in one vehicle.
- 4.10.2. Wasted time
- 4.10.2.1. The services provider will not be paid for wasted time as a result of a journey.
- 4.10.3. Double payment for reimbursement of travel expenses

4.10.3.1. An external services provider **shall not receive** reimbursement of expenses from two (or more) different Government bodies for the same journey to the same destination. Each journey to a destination which is less than 15 km from such destination shall be considered a journey to the same destination (for example, a journey from Tel Aviv to Mevasseret Zion and after that to Jerusalem shall be considered as one journey – from Tel Aviv to Jerusalem).

5. Applicable documents

- 5.1. [State Directive on Regulation Finance and Economy, “Contracting for the procurement of manpower services” no. 7.11.2](#)
- 5.2. [State Directive on Regulation Finance and Economy, “Data bank of accountants” no. 7.19.1.](#)
- 5.3. [State Directive on Regulation Finance and Economy, “Reimbursement of expenses of travel for work by private car”, no. 13.4.1](#)
- 5.4. [Form, “Declaration regarding performance of hours of work and actual trips made”, no. I 13.9.2.1](#)
- 5.5. [Form, “Declaration regarding travel for work by an external service provider”, no. I.13.9.2.2.](#)
- 5.6. [Notice “Tariffs for Contracting with External Service Providers”, no. E 13.9.2.1](#)
- 5.7. [Notice, “Reimbursement of expenses of travel for work for external service providers – Tariffs”, no E. 13.9.2.2.](#)

6. Appendices

- 6.1. Appendix A – Table of changes made to the Directive

Appendix A – Table of changes made to the Directive

New Version	Date of Update	Affected Section/s	Substance of update
02	30.06.2009	3.3, 3.1	The above definitions will not apply to a contract with an accountant
		4.4	Addition of Section 4.4.4 providing that Sections 4.4.2 and 4.4.3 will not apply to contracts with accountants
		4	Addition of Section 4.5 regarding contracting with accountants
		4	
03	13.05.2010	4.5.2	Addition of a Section regarding contracts with accountants
		4.9.1.1	Addition of guidelines regarding reimbursement of travel expenses
		4.6.3	Addition of guideline regarding recognition of professional experience before receipt of a degree
04	03.04.2014	4.5	Addition of a Section regarding contracting for the receipt of risk management consultancy

Name of Directive: Contracting with External Service Providers

Main Chapter: Management of budgets for salaries, pensions and manpower
external service providers

Secondary Chapter: Employing

Directive No.: 13.9.2

Notice no. E 13.9.2.1

Version: 08

1. Consultants for Management (various professions) – tariffs for payment

Type of Consultancy	Maximum tariff
<p>1.1. <u>Consultant 1</u></p> <p>A consultant who satisfies the following three <u>cumulative</u> requirements:</p> <p>1.1.1. Has an engineering degree or a second or third degree;</p> <p>1.1.2. Has over ten years professional experience in the relevant field for which the consultancy work is required;</p> <p>1.1.3. Owns an office or is partner in an office employing at least 3 consultants (professional staff) whose work is performed in the office under his ownership (or the office in which he is a partner)</p>	<p>Up to 314 NIS per hour</p>
<p>1.2. <u>Consultant 2</u></p> <p>A consultant who meets one of the following two alternatives:</p> <p>1.2.1. A consultant who satisfies both of the following <u>cumulative</u> requirements:</p> <p>1.2.1.1. Has an Engineering degree or a second degree or a third degree;</p> <p>1.2.1.2. Has over 7 years professional experience in the relevant field for which the consultancy work is required.</p> <p style="text-align: center;">Or</p> <p>1.2.2. A consultant who satisfies both of the following <u>cumulative</u> requirements:</p> <p>1.2.2.1. Has a first academic degree;</p> <p>1.2.2.2. Has over 10 years professional experience in the relevant field for which the consultancy work is required.</p>	<p>Up to 278 NIS per hour</p>
<p>1.3. <u>Consultant 3</u></p> <p>A consultant who satisfies both of the following <u>cumulative</u> requirements:</p>	<p>Up to 193 NIS per hour</p>

Type of Consultancy	Maximum tariff
<p>1.3.1.Has an academic degree; 1.3.2.Has 5-10 years experience in the relevant field for which the consultancy work is required.</p>	
<p>1.4. <u>Consultant 4</u> A consultant who satisfies one of the following two alternatives: 1.4.1.A consultant who satisfies both of the following <u>cumulative</u> conditions: 1.4.1.1. Has an academic degree; 1.4.1.2. Has up to 5 years professional experience in the relevant field for which the consultancy work is required. Or 1.4.2.A consultant who satisfies both of the following <u>cumulative</u> conditions: 1.4.2.1. Has a recognised academic degree; 1.4.2.2. Has over 5 years professional experience in the relevant field for which the consultancy work is required.</p>	<p>145 NIS per hour</p>
<p>1.5. <u>Consultant 5</u> A consultant who satisfies both of the following <u>cumulative</u> conditions: 1.5.1.Has a recognised academic degree; 1.5.2.Has up to 5 years professional experience in the relevant field for which the consultancy work is required.</p>	<p>Up to 109 NIS per hour</p>

Annex P

Agreement no. _____

**Consultancy, Monitoring and Control Services of Mekorot Water
Co. water projects in Israel**

Between The Government of the State of Israel by its authorised signatories,
being the Director of the Government Authority for Water and Sewage
and the Accountant of the Government Authority for Water and
Sewage (the “Authority”)

Of the one part

And _____

Of [*address*]: _____ (hereinafter: the “Supplier”)

Of the other part

WHEREAS The Authority published public tender no. 100034743 in a call for proposals
for providing Consultancy, Monitoring and Control Services of Mekorot
Water Co. water projects in Israel, attached hereto as an integral part of this
agreement and marked “**Appendix A**” (hereinafter: the “Tender” and the
“Work” or the “Services” respectively, whichever term is appropriate); and

WHEREAS The Supplier, after studying all the guidelines and provisions in the Tender,
submitted his Bid on _____, where such Bid was based on the
terms of the Tender and suited to such terms, and this Bid is attached hereto
as **Appendix B** and forms an integral part of this agreement (hereinafter: the
“**Supplier’s Bid**”); and

WHEREAS The Supplier entered its Bid with the Authority to accept all the Services on
itself and declares that he has the knowledge, means and experience and
expertise necessary for the performance of the Services on behalf of the
Authority as set forth in his Bid, and that he is interested to place all this at
the disposal of the Authority for the performance of the Services and to
accept on himself to perform the Services in a manner, at the times and
under the terms set forth herein-below, and undertakes to act and provide the
Services in accordance with the provisions of all the Tender documentation
and the agreement, including all its appendices and in accordance with his
Bid along with all its annexes and its declarations; and

WHEREAS After checking and examining the Supplier’s Bid and based on the
correctness of its declarations and on the facts and details contained in its

Bid, the Authority has chosen to accept the Supplier's Bid for the provision of Services; and

WHEREAS The Tender Committee, in its meeting no. _____ on _____ selected the Supplier as the winning Bidder in the Tender for the performance of the Services in accordance with the Tender and the Supplier's Bid, and all subject to the provisions of the Tender and the terms of this agreement; and

WHEREAS Both parties have decided to perform the Work for the Authority not as part of an employer-employee employment relationship between the Authority and the Bidder but instead where the Supplier acts as an independent professional, providing its Services to the Authority on a contractor basis, and receiving consideration for the Service as befits such status, in accordance with the special tariffs for the provision of Services on a contractor basis and taking into account the terms of the contract which are appropriate to a contract for the provision of Services and are not appropriate to a contract on an employer-employee basis; and

WHEREAS As a prior condition for accepting the Supplier's Bid it was stipulated that an agreement would be signed between the supplier and the Authority in which the terms, agreements and provisions applying to the provision of Services would be set down; and

WHEREAS The parties are interested in placing in writing their agreements, rights and obligations in connection with the Services and all that derives therefrom, all as set forth above and in this agreement;

It has therefore been agreed, declared, and conditioned between the parties as follows:

1. Introduction, Appendices and Interpretation

- a. The preamble to this agreement with all the declarations and stipulations it contains is an integral part of the agreement and should be read together with it.
- b. This agreement is an integral part of the Tender and should be read together with it.
- c. The headings of Sections in this agreement are for indicative purposes only and shall not serve for the interpretation of the agreement.
- d. In this agreement terms mentioned in it shall be given the same meaning and significance as accorded such terms in the Tender documentation.
- e. The following appendices are attached to this agreement as set forth below:
 1. Appendix A – the Tender documents;
 2. Appendix B – the Supplier's Bid;
 3. Appendix C – Confirmation of drawing up insurance;
 4. Appendix D – Performance Guarantee;
 5. Appendix E – Declaration regarding preserving confidentiality;

6. Appendix F – Declaration regarding the absence of any conflict of interest.

All the appendices are an inseparable part of the agreement and the agreement should be read together with them.

- f. The provisions of the Tender which have not been incorporated into this agreement shall apply to this agreement in so far as they are applicable and *mutatis mutandis*. Nothing in the provisions of this agreement shall derogate from the provisions of the Tender and any remedy to which the Authority is entitled in accordance with the Tender, and the contents of this agreement shall not be considered as a concession on, or waiver of, any of the provisions of the Tender.
- g. In the event of a contradiction between the contents of the Tender and the contents of this agreement the provisions of this agreement shall apply unless explicitly stated otherwise.
- h. In the event of any contradiction between the Supplier's Bid and the contents of the Tender documentation, the Supplier shall be bound by the more stringent provision, unless the Authority determines otherwise. Furthermore, to the extent that there may be different interpretations to any provision, the binding interpretation shall be that which benefits the Authority. Any such contradiction shall be brought to the attention of the Authority and it shall be the Authority which shall exclusively decide which is the binding interpretation. It should be made clear that the Authority shall apply this provision reasonably and fairly.

Without derogating from the generality of the foregoing it should be made clear that the Supplier is bound to perform the project in accordance with its Bid, even where this turns out to be more stringent than the other provisions of the Tender, and even in circumstances where the interpretation benefits the Authority.

- i. In any event of contradiction between the contents of the appendices and the contents of this agreement, the provisions of this agreement shall be paramount and the appendices shall be interpreted accordingly.
- j. In this agreement, the terms “**year**” and “**month**” shall refer to these in the Gregorian calendar.
- k. In the calculation of time with regard to this agreement the following provisions shall apply unless the context directs otherwise:
 - 1. Where a provision directs that a number of pass or will pass following an action or event – the day of the action or the event shall not be included in the number of such days.
 - 2. Where a period is stipulated, such period shall not be terminated or be affected by the affect that the last day of such period is a rest day, a day of recess or public holiday.
- l. No provision in this agreement shall be interpreted as excluding any of the powers bestowed on the Authority and its officers.

- m. No amendment or change to this agreement shall have any force unless such amendment or change were made in writing and signed by each of the authorised signatories of the parties to the agreement.

2. Declaration by the Supplier

- a. The Authority hereby confers on the Supplier and the Supplier accepts upon itself to supply the Authority with the Services as set forth in the preamble to the agreement, in accordance with the provisions of this agreement and in accordance with additional instructions which will be issued by the Director of the Authority or its representative as these are defined herein-below.
- b. The Supplier hereby declares and confirms that it is signing on this agreement after thoroughly examining the Tender documentation in general, including all the annexes thereto, and, specifically, the wording of the guarantee and the insurance annex, and has understood these, and has received from the representatives of the Authority all the explanations and instructed necessary for it to assemble its Bid and the undertakings in accordance with such Bid and in accordance with this agreement, and the Supplier shall have no claim as against the Authority in connection with insufficient disclosure or defective disclosure, a mistake, or fault in connection with the data or facts connected with the performance of the work.
- c. The Supplier hereby declares and confirms that it has understood the needs and requirements of the Authority as set forth in the Tender documentation, including all the annexes thereto.
- d. The Supplier hereby declares and confirms that, it has the appropriate professional background which enable it to perform the work in accordance with the Tender documentation, the Bid and the provisions of this agreement, and that it has the tools, the knowledge, the manpower, the means and the skills required to satisfy completely and exactly the requirements of the Authority as set forth in the Tender documentation and this agreement including all the appendices thereto.
- e. The Supplier hereby declares and confirms that it is qualified by law to perform the Services and that the provision of the Services by it to the Authority does not harm the rights of any third party, including everything connected to the intellectual property rights of any third party.
- f. The Supplier declares that it is well aware that keeping to the timetable as set forth in the Tender documentation is essential for the Authority.
- g. In everything connected to the performance of this agreement, the Supplier undertakes to act, whether by itself or through any of its employees, with the highest expertise and professionalism. The Supplier undertakes that the tools, the knowledge, the manpower, the means and the skills as set forth above shall continue to be at its disposal up until the complete fulfilment of all its undertakings in accordance with the Tender and the agreement.

3. Undertakings of the Supplier

Relying on the declarations of the Supplier and its undertakings in accordance with this agreement, the Authority hereby confers on the Supplier and the Supplier accepts upon itself and undertakes to perform and supply the Services in a way which will satisfy all the needs of the Authority in accordance with the Tender documentation and this agreement, including its annexes, in accordance with the Supplier's Bid, and in accordance with all laws (hereinafter: the "**Services**") and it hereby declares and undertakes as follows:

- a. To supply the Services in accordance with the provisions of this agreement and in good faith, reliably, diligently and to the highest professional standard.
- b. To employ manpower with expertise and the means that are appropriate to the requirements of the work and the Authority.
- c. To make adjustments, changes and improvements in the provision of the Services in accordance with the requirements of the Authority and as set forth in this agreement, subject to that stated herein with regard to the substance of the Services and the terms for making changes to the Tender documentation, the Supplier's Bid and this agreement.
- d. To fully and completely comply with the schedules and times stipulated in the Tender documentation, to the extent that it is in its power to do so.
- e. To deliver at any time it may be required to do so, on-going reports both in writing and verbally to the Authority and its representatives in all matters relating to the performance of the work, and to provide the Authority with any data, information or document it may have in its possession which is connected to the performance of this agreement.
- f. To preserve any information belonging to the Authority in accordance with the existing/accepted procedures and in accordance with the instructions of the security officer of the Water Authority.
- g. To supply the Services in accordance with the provisions of all laws that are applicable to the provision of the Services under this agreement.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

4. Undertakings of the Authority

- a. The Authority hereby declares that, in accordance with the provisions of the Budget Fundamentals Law 5745-1985, the expense and the authorised commitment entailed by this agreement have been budgeted in the Budget Law for 2016.
- b. The Authority undertakes to pay the consideration in accordance with this agreement as set forth in the Tender documentation and the Supplier's Bid and subject to the provisions of the agreement.
- c. The Authority undertakes to cooperate with the Supplier and to deliver to it data and information in order to enable it to perform its undertakings in accordance with the that set forth in the Tender documentation, the Bid and this agreement. The ruling on

the scope of the cooperation required is subject to the exclusive discretion of the Authority which will act fairly and reasonably.

- d. The Authority shall make available to the Supplier any information, document and data in its possession which may be required by the Supplier and which, at the sole discretion of the Authority is essential for the performance of the work, all subject to the provisions of the Tender documentation. The determination regarding the scope of information required and the determination whether such information is essential shall remain exclusively subject to the discretion of the Authority, such discretion to be exercised fairly and reasonably.

5. The Period of the Contract

- a. The period of the contract for the purposes of this agreement shall be **36 months** beginning on ____ and ending no later than _____ (hereinafter: the “**Contract Period**”)
- b. The Authority shall have the option to extend the Contract Period by 3 (three) set periods of 24 months each, or part thereof, for the Services or any part thereof, at its complete and sole discretion and in accordance with the provisions of all applicable laws, including the Budget Fundamentals Law 5745-1985 and the Compulsory Tenders Law 5752-1992, provided, however, that the Authority gives notice of such decision in writing, with the signatures of the signatories authorised to commit on its behalf (hereinafter: the “**Option Period**”).
- c. Notwithstanding the foregoing in sub-sections (a) and (b) above, the Authority shall be entitled, at its absolute and sole discretion, and without the need to give reasons or explanations, to terminate this agreement at any time, by providing written notice to the Supplier at least 30 (thirty) days prior to the date determined by the Authority as the date of the termination of the agreement.
- d. Subject to the foregoing, it is hereby agreed and declared that, in light of the character of the Service to be provided under this agreement, and in light of the extended duration of the Contract Period, the failure of the Supplier to meet its undertakings in all matters relating to the performance of the Services at each of the dates stipulated in the Tender documentation and in this agreement (hereinafter: a “**Delay**”), shall be regarded as a fundamental breach of the agreement and shall entitle the Authority to all remedies in accordance with all laws or as set forth in the agreement with regard to the fundamental breach of the agreement by the Supplier.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

6. The Consideration

- a. In return for the fulfilment of all its undertakings in accordance with this agreement in connection with the Services, and subject only to their actually being performed in accordance with the scheme for the performance of the work as set forth in the Tender documentation and subject to all the provisions of State Directives on Regulation Finance and Economy No. 13.9.2 and the Notice on Regulation Finance and Economy

No. 13.9.2.1 E, on the basis of that, and in accordance with all the provisions of subsections b-n below, the Supplier shall receive the consideration to a maximum amount which shall not exceed _____ NIS (and in words: _____ New Israel Shekels), not inclusive of VAT, such amount to be paid as set forth below:

1. For consultancy from the Project Manager, Mr/Mrs _____ only - _____ NIS, not including VAT, for each hour of work.
 2. For consultancy from the Engineering Team Leader, Mr/Mrs _____ only - _____ NIS, not including VAT, for each hour of work.
 3. For consultancy from the members of the team, Mr/Mrs _____, Mr/Mrs _____ and Mr/Mrs _____ only - _____ NIS, not including VAT, for each hour of work.
 4. For consultancy from the International Planner, Mr/Mrs _____ only - _____ NIS, not including VAT, for each hour of work.
 5. For consultancy from the Project Coordinator, Mr/Mrs _____ only - _____ NIS, not including VAT, for each hour of work.
- b. It is hereby agreed that, the consideration amounts set forth above is fully inclusive of every expense of any kind whatsoever to be expended by the Supplier for the purposes of fulfilling its obligations in accordance with this agreement, and including – taxes, learning resources, insurance, work costs, associated costs, office expenses, travel and flight expenses (including time of travel and flight), parking expenses, time wastage, social benefits of the Supplier’s employees and any other cost, including contractor’s profit.
- c. It is hereby agreed that the consideration as set forth above shall be paid in accordance with the unit of calculation a ‘work hour’, calculated as being 60 minutes of actual work. Where consultancy is provided in less than an hour, the relative part of the tariff stipulated in the Bid for a work hour shall be paid.
- d. The Supplier shall not increase the scope of work or make further changes to that explicitly agreed to in this agreement and its appendices, unless it has received prior instruction in writing to do so from someone authorised to issue such an instruction by the Authority as an authorised signatory on its behalf. This includes the Ministry accountant. Any change which was not approved in advance and in writing by the authorised signatories on behalf of the Authority shall not entitle the Supplier to any payment whatsoever and such change shall be completely at the Supplier’s sole and exclusive risk.
- e. The Supplier hereby declares that it has ascertained who the authorised signatories are for the purposes of the performance of the Tender, and specifically – the Ministry accountant, and that it is aware that any additional or extra work or change which it performs which has not received explicit prior written approval shall have no validity with the Authority.
- f. The Supplier shall submit invoices together with a detailed report describing the substance of the work at the end of every stage of performance of the Services, as set

forth in the Tender documentation and as will be agreed with the representative of the Authority. At each agreed date, the Supplier shall submit an invoice setting out the payment required for the Services performed. It should be made clear that no payment will be made without the confirmation of the representative of the Authority that the work has been performed in full and to their full satisfaction, subject to all the provisions of this agreement.

- g. Payment of consideration for that part of the demand for payment which is accepted by the Authority and confirmed by the Authority's representative, shall be made following the approval and submission of invoices at the dates set forth below:
 - 1) Invoices which are submitted to the Authority in the first half of each month (i.e, in days 1-15): shall be paid on the first business day following the 15th day of the following month.
 - 2) Invoices which are submitted to the Authority between the 16th and 24th of each month (including these two days): these shall be paid between the 16th and 24th of the following month.
 - 3) Invoices which are submitted to the Authority between the 25th and 31st of each month (including these two days): these shall be paid on the 24th of the following month.
- h. The Supplier shall not have any demands or claims against the Authority because of delays in the payment of the consideration in its entirety or any part thereof where such delays derive from the lack of details in the demand for payment or where a demand for payment or a report have not been approved.
- i. The Authority shall deduct from the consideration all payments which are required to be deducted in accordance with all applicable laws. The Supplier undertakes to bear at its own expense all the payments which apply to it under the provisions of any law or agreement as part of the provision of services.
- j. The Supplier undertakes to return immediately to the Authority any excess amount it has received from the Authority.
- k. Where the Authority has exercised the right granted to it based on Section 5(c) above, then notwithstanding anything else stated in this agreement, it shall only be obliged to pay the Supplier for that Service which has been performed in accordance with this agreement up to the date of the termination of the provision of the Services as set forth above.
- l. For the removal of doubt, it is agreed between the parties that the Authority shall not be liable to cover any deficit caused to the Supplier as a result of providing the Services.
- m. If the representative of the Authority does not approve the work done by the Supplier or certifies that it has only been partially performed, the payment shall be made in accordance with the determination of the representative of the Authority.
- n. Linkage

The rules set out below for index linkage are those set out by the Accountant General:

1. Definitions relating to index linkage

- a. The base date – the last date for the submission of bids in the Tender.
- b. Date for the commencement of linkage – the date following which the index linkage is calculated – 18 months from the base date.
- c. Basic index – the known index at the date for the commencement of linkage.
- d. Determining index – the last known index on the date on which linkage is made.
- e. Negative linkage – linkage which is carried out when the index or the determining compound of indices has fallen to below the basic index.
- f. Consumer price index – as published by the Central Bureau of Statistics or by the body authorised by the Government of Israel to replace it.

2. Principles for performing index linkage

- a. The prices will be linked to the changes in the consumer price index (hereinafter: the “Index”).
- b. The amount of index linkage calculated shall be added (or deducted, where the relevant Index has fallen) to the tariffs decided on in the contract.
- c. The application of index linkage shall be carried out even where a negative linkage is involved.
- d. The index linkage shall be made at the date on which the invoice is received by the Authority.

3. Linkage Mechanism

- a. The application of linkage shall take place following the end of 18 months after the base date, except in the event set out in this Section. The Index known on this date shall be the basic Index.
- b. The application of linkage shall take place on the date of receipt of the invoice by the Authority, provided that this invoice has been submitted near the end of the period for which it has been submitted.
- c. Notwithstanding the provisions of Section n(3)(a) above, if on a certain date (hereinafter: the “**Day of Change**”) during the course of the initial 18 months following the base date, a change in the Index occurs so that it becomes higher by 4% or more than the Index known on the base date, then the calculation of the linkage shall be made from this point onwards, as follows:
 1. The Index known on the Day of Change shall be set as the basic Index.
 2. The application of linkage shall take place following the period determined for the application of linkages, as set forth in Section n(3)(b) above.

4. It should be made clear that it is the responsibility of the supplier to ensure that all invoices submitted to the Water Authority shall be submitted together with linkage differentials in accordance with the above provisions. Where an invoice has been submitted without including linkage differentials as set forth above, the Authority will not pay these linkage differentials retroactively.

o. VAT shall be added to each amount in the consideration in accordance with the law.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

7. The Consideration – Final and Absolute

It is hereby clarified and agreed that the consideration as set forth above is the final and only consideration which will be paid to the Supplier for the provision of the Services as set forth in the agreement. No other or additional payment will be made by the Authority for the provision of the Services or in direct or indirect connection with the provision of the Services, whether during the course of the agreement or after it, whether to the Supplier or to any other person or body.

8. Set off and Lien

a. The Supplier hereby agrees and declares that the Authority shall be entitled to set off from any consideration to which the Supplier is entitled under this agreement any amount owed to the Authority by the Supplier under this agreement or in accordance with any other agreement between the Supplier and the Authority, all subject to the provision of written advance notice to this effect.

b. Taking into account the unique character of the services, the Supplier hereby waives any right of lien it may have, to the extent that it might have had such right by law.

9. Ownership and title to the Services and Products

a. For the removal of doubt it is hereby declared and agreed that all the data accumulated and collected as part of the work under this contract, including all aspects of such data, including data bases and documentation, and all copyrights, patents and any other property right or other right (hereinafter: the “**Products**”) shall belong to the Authority without any additional consideration to that set forth in this agreement, and the Supplier hereby waives any claim it might have in this regard.

b. It is hereby agreed and declared that the Supplier shall not be entitled to make any use of the Products, whether in whole or in part, whether directly or indirectly, without receiving prior written permission for such use from the representatives of the Authority.

c. All the services to be provided by the Supplier as part of this agreement and all the service products, including results, reports, studies, and work programmes which may be produced and assembled by the Supplier in accordance with this agreement, and also methods, ways of working, materials, facilities, machines, programmes and their specifications, manufacture and change, shall be considered the exclusive property of

the Authority, all subject to the provisions of applicable law, except if otherwise agreed between the parties and prior written approval has been given for this by the Authority.

- d. Copyrights in all the services to be provided to the Authority as part of this agreement, including opinions, reports, research, and so forth shall all belong to the Authority and the consideration set out below shall be considered as consideration for these copyrights.
- e. The Supplier declares that at the time of performing the work for the Authority it has not breached and will not be in breach of any copyrights or patent or commercial secrets, and will not harm any third party rights in this regard.
- f. Without derogating from the provisions of sub-section (b) above, it is hereby clarified that the Authority shall be entitled to make all use, at its sole discretion, of the products of the service under this agreement, both during the Contract Period and after it, including passing on such products to any other body and for any purpose it considers appropriate, without having to request permission for this from the Supplier and without the Supplier being entitled to any consideration or additional consideration for such use.
- g. The authority shall be entitled to publish any material delivered to it by the Supplier as part of this agreement, provided however that the Supplier, or the creator of the material, retains the moral rights in such material.
- h. At the end of this agreement, for whatever reason, the Supplier shall deliver to the Authority, in full, and in an orderly and organised fashion, all the knowledge and information in its possession in connection with the services and the performance of this agreement (hereinafter: the “**Information**”) together with the instructions required for extrapolating conclusions arising from the Information. All the Information shall be delivered to the Authority or a third party which it shall designate, in its existing state (be it written, computer file, verbal, or other), according to a timetable to be fully and solely determined by the Authority, without any additional consideration. For the removal of doubt, it is hereby clarified that all the Information is the exclusive property of the Authority, except where otherwise agreed between the parties, in advance and in writing.
- i. The Supplier hereby declares and undertakes that it shall not retain in its possession at the end of the Contract Period whether directly or indirectly, any document, note or other material which it has obtained during the course of its contract with the Authority, except for those documents which the Supplier is required to retain for the purposes of filing, or archiving or in accordance with all applicable law, subject to the approval of the Authority – with respect to the type of such document – to be provided in advance and in writing.
- j. The Supplier undertakes not to make any use of, or pass on, or deliver, or translate or publish the results of the performance of the services and the agreement or any other detail in this regard unless with the prior written approval of the Authority’s representatives, and provided that in any such passing on, translation, or publication

the fact is noted that the performance of the agreement was financed by the Authority, and provide also that it the payment due to the Authority for such passing on, translation or publication is agreed between the parties.

- k. The supplier hereby declares and agrees that for the purposes of providing the services and performing the work in accordance with this agreement it shall make use of original computer software only and that it has all the requisite licences from the manufacturer allowing it to perform the work in Israel

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

10. No Assignment

- a. The Supplier undertakes to perform the services by itself and it is hereby agreed that it is absolutely prohibited for the Supplier to assign or transfer any of its rights under this agreement or the performance of the contract or any part thereof to another, without the prior written approval of the Authority.
- b. Even where rights or obligations are transferred, the Supplier shall remain, in all circumstances solely liable to the Authority for all matters relating to the performance of the provisions of this agreement.
- c. It is hereby declared and agreed that the Authority shall have the right to transfer or assign its rights under this agreement to others, whether in whole or in part, directly or indirectly, without having to obtain any approval for such assignment from the Supplier or any third party of any kind.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

11. Permits licences and approvals

- a. The Supplier hereby declares and undertakes that it possesses the documents and approvals required for the purposes of its activity under the contract and for the purposes of any other activity required of it by law, where such documents and approvals are valid in accordance with all laws, including all those documents and approvals which are valid from the qualified authorities and that it will present these to the Authority at any time it may be required to do so.
- b. The Supplier hereby declares and undertakes to notify the Authority immediately over any change which may occur with regard to its declarations under the agreement, including with regard to any court order issued against it which prevents or limits its ability to provide the services in accordance with this agreement and its appendices or any part thereof.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

12. Supervision, Control and Reporting

- a. It is hereby agreed and declared by the parties that during the course of the performance of the work the activity of the Supplier shall be subject to the supervision and control on the part of the Authority.
- b. The Authority shall appoint a project head who shall serve as its representative with the Supplier. The Authority's representative for this Tender shall be Ms. Mella Schwartz, Engineer, Head of the Division (Supervision) (hereinafter: the "**Authority's Representative**").
- c. The Supplier undertakes to act in accordance with the instructions of the Authority's Representative.
- d. With due attention to the contents of the Tender documentation and this agreement, the Authority's Representative shall have decisive authority to determine whether or not the work under this Tender and this agreement has been performed adequately, and in accordance with the terms of the agreement. For the removal of doubt it is hereby clarified that the power of the Authority's Representative is limited as regards expanding the scope of the monetary consideration as set forth in this agreement. Any instruction which entails a change in the terms of the agreement or the Tender, including increasing the consideration or making the Authority liable for additional monetary obligations beyond those set forth in this agreement, shall only be binding on the parties if it has been made in writing and signed by the authorised signatory for the Authority, including the Authority accountant.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

13. The Supplier is not a representative of the Authority

- a. The Supplier undertakes not to present itself as one who is an agent or representative of the Authority, or as one who is entitled to represent the Authority or bind the Authority in any respect, and also agrees that it will bear sole liability for all damages to the Authority or to any third party deriving from a representation that is contrary to the foregoing.
- b. The representation of the Authority for any purpose requires the prior written explicit authorisation to that end from the representatives of the Authority.

14. Preserving confidentiality and reservation of rights

- a. The Supplier undertakes to keep confidential and not to pass on, or notify or deliver or to bring to the knowledge of any other body, whether directly or indirectly, or in any way whatsoever, any information, knowledge, trade secret, data, article, or document of any kind, and anything which by its nature is not in the public domain, which the Supplier or its employees, or anyone acting on its behalf obtains as a result of, or during the course of, the performance of this agreement, whether before during or after its performance, without the prior written approval of the Authority for such disclosure (hereinafter: "**Confidential Information**").

- b. The supplier undertakes to keep secure any Confidential Information or official document which may be delivered to it or reach it as a result of the performance of this agreement, or is disclosed by virtue of or in connection with such performance.
- c. The Supplier undertakes to act in accordance with the instructions of the Authority in all things connected with ensuring the security of information and procedures for access to information, and in connection with the collection, marking, validation and processing of data. The Authority shall be entitled to instruct the Supplier and direct it with regard to special measures connected with preserving confidentiality, including setting special security measures, and departmental measures or special work procedures, and the Supplier undertakes to fulfil the requirements of the Authority in this regard.
- d. The Supplier declares that it is aware that the products of the services it provides for the Authority are unique to the Authority and that they constitute the business or trade secret of the Authority, and the Supplier undertakes not to deliver, pass on or publish, whether by itself or through its employees or through anyone acting on its behalf, any information, document or material of any kind which may be obtained as a result of the performance of this agreement or by way of its performance, and undertakes not to make any other use of these when such use is not for the purposes of the performance of the agreement, unless and subject to the written approval of the Authority's Representative.
- e. The Supplier is not entitled to use any Confidential Information which it obtained as a result of performing this agreement for any purpose other than the performance of this agreement, except with the approval in writing of the authorised representatives of the Authority. The Supplier is responsible to ensure that none of its employees or anyone acting on its behalf make any such use of a document or material.
- f. The Supplier undertakes to return to the Authority immediately at the end of the performance of the work or upon the termination of the provision of services for any reason whatsoever, all the Confidential Information collected by it during the course of the provision of the services, and also any information, item of property, computer file, printing block, draft or raw materials with which the services were provided, and also any material it received from the Authority at the time of the performance of the work in accordance with this agreement, and not to leave in its own possession any information collected by it as part of the provision of the services. The Supplier shall declare that it does not have left in its possession any material, document or information in magnetic format or in any other form, except for documents required by the Supplier for archive filing only, but this subject to the advance written approval of the Authority regarding the type of such documents.
- g. The Supplier declares and certifies that it is familiar with the provisions of the Protection of Privacy Law 5741-1941 and its regulations, and that it will do and act as mandated by this legislation and by any other law in force which relates to the preservation and confidentiality of information and data in its possession. The Supplier hereby declares that it is aware that the delivery of information in contravention of the foregoing constitutes an offence under the Penal Law 5737-1977.

- h. The Supplier undertakes to sign and cause its employees, who are employed by it in accordance with this agreement and any of its employees likely to be exposed to such information, to sign an undertaking of confidentiality in the form attached to this agreement as Appendix E which constitutes an integral part of this agreement.
- i. It is agreed and declared that the mutual undertakings set out in this Section are not limited in time and shall continue to remain in force following the cancellation of this agreement.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

15. Tools and Materials

- a. All the tools and materials required for the purposes of providing the services which form the subject of this Tender shall be purchased by the Supplier, and at its own expense, except where agreed otherwise in advance and in writing.
- b. All the tools and materials which the Supplier may make use of for the purposes of supplying the services shall be of a type which is appropriate, without reservation, to the supply of the services in accordance with this agreement.
- c. It is hereby clarified that the making use of tools, materials and software in a manner which may harm third party rights of any kind shall be considered a breach of this agreement.

16. Insurance

- a. The Supplier undertakes that, during the entire course of the Contract Period it shall maintain appropriate insurance coverage at its own expense.
- b. The Supplier undertakes to take out and maintain the insurances set forth herein, with both itself and the State of Israel and the Authority as beneficiaries, and to present such insurances to the Government Authority for Water and Sewage where such insurances include the coverages, liability limits and required conditions as follows:
 - 1. Employers Liability Insurance (where the Supplier is employing staff for the purposes of providing the services)
 - a. The Supplier shall insure its liability towards its employees through employer's liability insurance throughout the area of the State of Israel and the occupied territories.
 - b. The limits of liability shall be not less than 5 million US dollars (\$5,000,000) in the equivalent value in New Israel Shekels, per employee, event and year of insurance.
 - c. The insurance shall be expanded to cover the liability of the insured towards contractors, sub-contractors and those of their employees that are in the Supplier's service, should it be considered as their employer.
 - d. The insurance shall be expanded to indemnify the State of Israel – the Government Authority for Water and Sewage, should it be claimed, in the

event of any kind of work accident/professional illness, that these bear any kind of employers' liability towards any of the Supplier's employees, sub-contractors and their employees that are in the Supplier's service.

2. Third Party Liability Insurance

- a. The Supplier shall insure its legal liability, in accordance with the laws of the State of Israel, for third party liability insurance, for bodily injury and damage to property arising from its activity throughout the area of the State of Israel and the occupied territories.
- b. The limits of liability shall not be less than one million US dollars (\$1,000,000) in their value in New Israel Shekels, per event and per year of insurance.
- c. The insurance policy shall include a cross liability provision.
- d. The insurance shall be expanded to cover the liability of the insured towards third parties for the activity of sub-contractors and their employees in the Supplier's service.
- e. The insurance shall be expanded to indemnify the State of Israel – the Government Authority for Water and Sewage, to the extent that these may be considered liable for the actions or omissions of the Supplier or those acting on the Supplier's behalf.

3. Professional Liability Insurance

- a. The Supplier shall insure its liability for its activity through professional liability insurance.
- b. The insurance policy shall cover all damage arising from a breach of a professional obligation of the Supplier or its employees and all those working on its behalf, where such breach occurred as a result of an action or negligence, including omission, mistake, or oversight, misrepresentation or negligent declaration, where such actions/omissions were made in good faith in connection with the services under the contract;
- c. The limits of liability under the policy shall be not less than one million US dollars (\$1,000,000);
- d. The coverage under the policy shall be extended to include the following extensions:
 1. Fraud and dishonesty on the part of employees;
 2. Loss of documents, including loss of use of documents as a result of an insurance event;
 3. Cross liability, however the coverage shall not cover claims of the Supplier against the Authority;

- e. The insurance shall be extended to indemnify the State of Israel and the Authority to the extent these shall be considered liable for the actions or omissions of the Supplier and those acting on its behalf.

4. General

All of the required insurance policies shall include the following terms:

- a. In addition to the name of the insured, the State of Israel and the Government Authority for Water and Sewage shall be added as insured parties, subject to the extension of indemnity as set forth above.
 - b. No reduction or cancellation of the insurance by either one of the parties shall have any validity unless at least 60 days prior written notice of it has been provided by registered letter to the Authority accountant.
 - c. The insurer shall waive any right of subrogation, claim, claim for reimbursement or deductible claim against the State of Israel or the Authority and their employees, provided that such waiver shall not apply to someone who causes deliberate damage.
 - d. The Supplier shall be solely liable to the insurer for the payment of insurance premiums for all the insurance policies, and for meeting all the obligations on the insured party in accordance with the terms of the insurance policies.
 - e. The deductibles in each of the insurance policies shall be borne solely by the Supplier.
 - f. No section in any of the insurance policies which expropriates or reduces in any way at all the responsibility of the insurer, (where there is another insurance and the insurance is primary insurance entitling the insured party to full rights under the insurance), may be exercised against the State of Israel or the Authority.
- c. Confirmation with respect to the existence of the insurances set forth above shall be provided to the Authority by the date of the signing of the agreement and shall be a condition precedent to the signing of the agreement by the Authority.
 - d. The Supplier undertakes that it shall maintain the validity of the insurance policies throughout the Contract Period and for so long as its responsibility under the contract continues. The Supplier undertakes that the insurance policies shall be renewed by it each year, for so long as the agreement with the State of Israel-Water Authority remains in force. The Supplier undertakes to present the Water Authority with copies of the renewed insurance policies, where these have been certified and signed by the insurer, or with a signed confirmation from the insurer regarding their renewal, no later than two weeks before the end of the period of insurance.
 - e. Nothing in any of the above insurance sections shall be deemed to exempt the Supplier from any obligation it bears in accordance with all applicable laws and in accordance with this agreement.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

17. Indemnification

- a. It is hereby declared and agreed that, subject to all applicable law, the Supplier shall bear responsibility for any harm, loss or damage caused for any reason whatsoever to the Supplier's person or property or to the person or property of anyone acting on its behalf, or to the person or property of its employees or any workers acting on its behalf, or to the property of the Authority or to the person or property of any other person as a direct or indirect result of the application of this agreement, except where such damage was caused as a result of the negligent action or omission of the Authority.
- b. Without derogating from the provisions of subsection (a) above, and subject to all applicable law, it is agreed between the parties that the Authority shall not bear any payment, expense or damage caused for any reason to the person or property of the Supplier or anyone acting on its behalf, or to the person or property of its employees or any workers acting on its behalf, or to the property of the Authority or to the person or property of any other person as a direct or indirect result of the application of this agreement, and that such responsibility shall be borne by the Supplier only.
- c. The Supplier undertakes to indemnify the Authority for any payment, expense or damage which may be caused to it and which results from the actions or omissions of the Supplier as a direct or indirect result of the application of this agreement, and shall do so immediately upon receiving notice of these events from the Authority. It is hereby clarified that the Authority shall give notice of any claim or demand as set forth above, upon these being served to it, and shall enable the Supplier reasonably to defend itself against such claim in any way.
- d. For the removal of doubt it is hereby declared and agreed that the Authority, and those acting on its behalf or employed by it, shall not be required to bear the cost of any payment, expense, damage or compensation of any type or for any reason which were caused to the Supplier, or paid by it in the course of or as a result of the performance of this agreement or as a result of instructions issued in accordance with the agreement, where it is not stated explicitly in the agreement that the Authority shall bear such cost.
- e. Without derogating from the foregoing, the Supplier undertakes to reimburse the Authority for any expenses incurred by it as a result of the failure by the Supplier to implement any of the provisions of this agreement and its appendices, and also to indemnify the Authority for any damages incurred by it or which will be incurred by it as a result of the cancellation of the agreement.
- f. Nothing in the foregoing shall derogate from the right of the Authority to require specific performance of this agreement and its appendices, or shall derogate from any right or other power conferred on the Authority by law or agreement.

- g. In this Section, the term “expenses” shall include also legal expenses and lawyers’ fees.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

18. Prohibition on acting from a position of conflict of interest

- a. The Supplier shall be entitled to continue to provide services to bodies other than the Water Authority, provided however that this does not entail a derogation of its obligations in accordance with this agreement.
- b. The Supplier declares that, from the date of the signing of this agreement, no conflict of interest, be it direct or indirect, exists between it and its undertakings in accordance with this agreement and any of its business, professional or personal connections, be these connections for consideration (of salary or any other benefit) or not, and including any transaction or undertaking where there is a conflict of interest, and it also declares that there is no connection between itself and any other body relating to the fields involved in the services of the contract, except for connections arising from the provision of the services and for the purposes of the performance of this agreement (hereinafter: “**Conflict of Interest**”).
- c. The Supplier declares that, as of the date of its entering into this agreement, it is not aware of any legal or other impediment which could hamper the provision of the services in accordance with this agreement, and that it is not connected to or involved in any other business which would give rise to a risk of a conflict of interest with regard to its undertakings arising from this agreement. The Supplier undertakes that throughout the period of this agreement it will refrain from participating in or being involved in any transaction or other business where there is or might be a situation of conflict of interest with this agreement.
- d. The Supplier undertakes to immediately bring to the attention of the Authority any information which could be relevant to a determination of the Authority with regard to the existence or otherwise of a conflict of interest, or the risk of being in a situation of a conflict of interest. The Supplier shall follow all the instructions of the Authority in this regard and shall accept such other work only where the Authority has confirmed, in advance and in writing, that it has no objection thereto.
- e. The Supplier declares that it is aware of its responsibility to act in good faith towards the Authority in all matters connected to the implementation of this agreement, and that any recommendation or advice to be given by it shall be solely based on considering the interest of the Authority and shall exclude any considerations of profit or other extraneous considerations.
- f. In the event of any dispute between the parties over whether a certain matter carries a risk of a conflict of interest, the opinion of the Authority shall be final.
- g. The Supplier undertakes to sign, and cause its employees that are engaged by it in accordance with this agreement and any other of its employees in connection to the contract services to sign, the declaration regarding refraining from being in any

position of conflict of interest, in the version which is attached to this agreement as appendix F and forms an integral part thereof.

- h. In this Section, “**Conflict of Interest**” includes also the risk of a conflict of interest.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

19. The Supplier’s Key Personnel

- a. For the purposes of providing the services, the Supplier undertakes to employ personnel in sufficient numbers of the highest professional standard and with the appropriate training and experience in accordance with that set forth in the Tender documentation.
- b. It is hereby agreed that none of the personnel proposed by the Supplier for the performance of the work as part of its Bid in the Tender may be changed for the duration of the contract.
- c. Notwithstanding the foregoing in Section b above, the changing of any of the personnel of Supplier for any reason whatsoever, including where it becomes impossible for one of the personnel referred to in the Supplier’s Bid to provide the services to the Authority in accordance with the Tender documentation, the Supplier’s Bid and the agreement, shall only be possible with the prior written approval of the Authority. It should be made clear that the Authority shall assess, amongst other things, whether or not the Supplier had any control over the reason for making the change, as a condition for giving its approval as aforesaid.
- d. The Supplier shall apply to the Authority in writing to receive such approval no later than 30 days following the need arising for obtaining such approval or for changing the particular member of staff.
- e. The Authority shall be entitled to give its approval or not, at its sole discretion which it shall exercise reasonably and fairly, and it reserves the right to cancel the agreement or to exercise any right available to it under the Tender and the agreement relating to such changing of key personnel. It is hereby agreed that the Supplier shall have no claim against the Authority for its actions in accordance with the provisions of this Section.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

20. No employer-employee relationship with the Supplier and its staff

- a. For the removal of doubt it is hereby declared and agreed by the parties that the Supplier is acting in the framework of this agreement as an independent contractor only and that this status only constitutes a prior condition from the point of view of the Authority for the working of the Supplier under the agreement.

- b. In no event shall there exist employer-employee relations between the Authority and the Supplier or any of its employees or agents. Neither the Supplier nor any of its employees or any of its agents may be entitled to receive compensation or benefits or rights of any kind from the Authority which would be given to an employee of the Authority – neither during the course of the period of this agreement nor following the termination of this agreement for any reason whatsoever.
- c. The rights accorded to the Authority under this agreement to train or instruct the Supplier or any of those employed by the Supplier shall be regarded as merely the means by which the Authority ensures the performance of the provisions of this agreement, and neither the Supplier nor those employed by it shall have any rights of State employees or of workers employed by the Authority. Likewise, they shall not be entitled to any payments or compensation or other benefits in connection with the performance of this agreement, for any reason, or as a result of any instructions which may be issued in accordance with the agreement or in connection with its cancellation or termination, or the stopping of the performance of the services in accordance with this agreement, and nothing in such action shall be deemed to create an employer-employee relationship between the Authority and the Supplier or those employed by them.
- d. The Supplier alone shall be bound to bear every form of payment and expense with regard to its employees. The Supplier shall be the sole body responsible for its employees or those persons employed by them or any individual one of them, for any liability or obligation or undertaking which an employer owes or is liable to owe to their employees – including, but without derogating from the generality of the foregoing, for payments to national insurance, deductions for income tax or other taxes, or other levies of any kind, or wage, according to the meaning of this term in the Wage Protection Law 5718-1958, severance pay, according to the meaning of this term in the Severance Pay Law 5723-1963, or any kind of pay for annual vacation or in accordance with the Hours of Work and Rest Law 5711-1951, payments and allowances to provident funds or insurance funds of any kind, and any payments or social benefits of any kind according to all applicable law, agreement or collective agreement, and any payments made by the replacements of the laws mentioned above and any law passed in addition to or instead of those laws.
- e. It is agreed that, should it be determined for any reason that, notwithstanding the intention of the parties as expressed in this agreement, an employee of the Supplier or someone acting on its behalf should be regarded as an employee of the Authority, then the salary of the Supplier shall be calculated retroactively for the entire period of this agreement, in accordance with the pay ranking or grade stipulated in the agreement, or, if a ranking and grade are not stipulated in the agreement, then in accordance with the salary which would be paid to a State employee whose terms of employment are the most similar to those of the Supplier; and the Supplier shall be required to reimburse the State for the difference between the consideration paid to it in accordance with this agreement and the salary owed to it as an employee of the Authority.

- f. Should it be determined that an employee of the Supplier, or anyone acting on its behalf, has in fact been supplying services as an employee of the Authority, the Supplier will be required to indemnify the Authority, immediately upon demand, for all the expenses which the Authority will incur as a result of such determination.
- g. Furthermore, and without derogating from the foregoing, where the Authority is made liable for any of the payments set forth in this Section, the Authority shall be entitled to set off such amounts from any amount to be owed by the Authority to the Supplier.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

21. Termination of the Contract

- a. It is hereby agreed that the Authority shall be entitled to notify the Supplier, with 30 days prior notice, of the cessation of its activity in accordance with this agreement and to do so without any reason of any kind and without the Authority being required to explain and justify such cessation. Where the Authority has acted in accordance with its right as aforesaid, the Supplier shall be entitled to receive the financial considerations owed to it up to the date of the termination.

It is hereby agreed and declared that, except for the consideration referred to in this Section, the Supplier shall not have any claim or financial or other demand against the Authority in connection with the cessation of its activity in accordance with this agreement or arising therefrom.

- b. Without derogating from the provisions of this agreement, and in addition to them, and subject to the provisions of sub-section (c) below, the parties agree that in the event of any of the scenarios set forth below, the Authority shall be entitled to give notice of the cancellation of the contract and the Supplier shall be considered as having made a fundamental breach of the agreement, with all that this implies:
 - 1) A delay and failure to meet the schedule during the course of the performance of the work;
 - 2) Failure to meet any of the material undertakings as stipulated in the agreement;
 - 3) Replacing the worker on behalf of the Supplier who is performing the work, or replacing the representative of the Supplier, without receiving the prior written approval for these from the Authority.
 - 4) An application has been filed against the Supplier for the appointment of a trustee, liquidator or receiver, and the application has not been removed within 30 days;
 - 5) A liquidation, receivership, or bankruptcy order has been issued against the Supplier, or a provisional liquidator has been appointed to it, and the order or appointment have not been cancelled within 30 days;
 - 6) It has been found that the Supplier delivered to a third party information belonging to the Authority, without receiving prior written approval for this from the appropriate authorised parties within the Authority;

- 7) It has been found that the Supplier deceived the Tender Committee of the Authority;
 - 8) It has been found that the Supplier is in a situation of conflict of interest, or the risk arises of the existence of such conflict of interest.
- c. Subject all the afore-mentioned in Sections 'a' and 'b' above, it is agreed that, where the Supplier causes a fundamental breach of the agreement, the Authority shall be entitled to allow the Supplier to amend such breach, within 14 days of issuing a notice regarding the breach or any other date that may be determined by the Authority's representative at his sole and absolute discretion, and to do so to the complete satisfaction of the Authority's representative. Where the Supplier fails to do so, the Authority shall not be bound to pay the consideration to the Supplier and shall instead be entitled to demand reimbursement of any amounts paid in excess. The Authority shall also be entitled, without derogating from any other power it may have under this agreement or under any applicable law, to take any of the actions referred to below, or to take all of them together:
- 1) To take on the debt in place of the Supplier, whether by itself or through someone acting on its behalf, and to set off the expenses caused to it as a result from the consideration owed to the Supplier under this agreement and as set forth in Section 9 above.
 - 2) To cancel the agreement with a notice in writing to this effect.

It is agreed that the determination over whether a fundamental breach is involved, or whether the breach was made in good faith, or whether the breach was fixed, shall be solely and exclusively for the discretion of the Authority's representatives, and the Supplier shall not have any say whatsoever over such determination – all without derogating from any right which the Supplier may have under any applicable law.

This section is one of the cornerstones of this contract and its breach will be regarded as a fundamental breach of the agreement.

22. Guarantees and Securities

- a. To secure the rights of the Authority under this agreement and as security for the fulfilment of all the undertakings of the Supplier in accordance with the Tender, its Bid and the agreement, the Supplier undertakes to provide, on the date of signing the agreement, an autonomous bank guarantee, or a guarantee from an authorised insurer as defined in the Supervision of Insurance Transactions Law 5741-1981, to the account of the Authority in the amount of _____NIS (hereinafter: the "**Guarantee**")
- b. The Guarantee shall remain in force for 60 days beyond the end of the Contract Period, that is up to _____[*date*].
- c. The Guarantee shall be linked to the Consumer Price Index and the principles set forth in Section 6(n) above shall apply to it, *mutatis mutandis*.

- d. The wording and terms of the Guarantee are attached as Appendix D to the agreement.
- e. The costs of the Guarantee shall be borne in full by the Supplier
- f. It is agreed that the delivery of the Guarantee as set forth above is a prior condition for the payment of the consideration to the Supplier.
- g. Without derogating from that set forth in Section 22 above, the Authority shall be entitled to forfeit the Guarantee, whether in whole or in part, in the circumstances where the Supplier has failed to meet its undertakings in accordance with this agreement or for the purposes of set-off (whereupon the amount of the set-off shall be forfeited). A decision on the forfeiting of the Guarantee shall only be taken after the Supplier has provided its response to such forfeiting of the Guarantee.
- h. The Guarantee shall be forfeited by means of a unilateral demand by the Authority to the bank on which there is also a written notice to the Supplier.
- i. Where the Guarantee has been forfeited for whatever reason, the Supplier shall deliver to the Authority a replacement Guarantee which satisfies all the requirements set forth above.
- j. Nothing in the foregoing shall release the Supplier from the full and exact fulfilment of all its obligations under this agreement, nor shall it be taken as placing any obligation of any kind on the Authority.

23. Jurisdiction

The parties agree that the jurisdiction with regard to the subjects and matters arising from or connected to this agreement shall be solely that of the authorised courts in Tel Aviv-Yaffo.

24. Principal and Basic Provisions

The parties agree that their obligations as set forth in Sections 4, 6, 10-13, 15 and 17-22 of the agreement are the cornerstones of the contract and that breach of these provisions shall be regarded as a fundamental breach of the agreement, with all that this entails.

25. Compliance with the agreement in trust and in good faith

The parties hereby undertake one to the other to comply with the agreement and fulfil all the provisions and determinations arising therefrom, in good faith, fairly, reasonably and in trust, while paying strict regard to observing the terms of the agreement.

26. Review

- a. The Authority accountant, or the internal comptroller of the Authority or someone appointed or authorised by them for this purpose, shall be entitled at any time, whether during the period of the agreement or after it, to conduct a review and check

on the Supplier in all matters relating to the provision of the service provided under the agreement or the monetary consideration entailed by this agreement.

- b. For the purposes of fulfilling the supervision and control set forth in sub-section (a) above, the representatives of the Authority shall be entitled:
 - 1. To enter at any reasonable time, any installation, or office serving the Consultant for the purposes of providing their services under this agreement.
 - 2. To inspect any record, or document or work or book of accounts, ledger, database (whether in hard copy or computerised), or any of the Consultant's documentation, including those saved in magnetic format, and copy them as they may deem appropriate.
- c. The Supplier undertakes to allow the performance of any such review or check and to deliver to those performing such review, immediately upon demand, any information or document as set described above, as well as financial reports which have been audited by an accountant, to the extent that the Supplier has these. The Supplier hereby waives any claim of confidentiality or privilege or privacy protection with regard to the information or records which will be demanded by the Authority.
- d. The Supplier undertakes to comply with all of the above, including in all matters relating to information connected with the agreement which may be located at a third party.

27. Miscellaneous Provisions

- a. No waiver or time extension or discount or the delay or restraint by the Authority in exercising any of its rights under the agreement shall have any validity or significance unless effected and signed in writing, in accordance with the law, by the authorised signatories on the part of the Authority.
- b. Any change in the dates set forth in this agreement or any other change in the agreement shall have no validity unless made in writing and signed in accordance with the law by the authorised representatives of the parties.
- c. No change or amendment to the agreement, or any part thereof shall have any validity unless such change or amendment were made in writing and signed by each of the authorised signatories on behalf of the parties to the agreement.
- d. Notices

It is hereby agreed and declared between the parties that any notice which is sent by one party to this agreement to another party by registered mail according to the addresses set forth below shall be considered as having been received within 72 of its being sent

A notice delivered by hand shall be considered as having been received on the date of its delivery.

A notice in accordance with this Section shall be delivered to the representative of the Authority and to the accounting department of the Authority.

**Water Authority
Tender Committee**

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co.
water projects in Israel

**State of Israel
Development Division**

e. Addresses of the parties for the purposes of this agreement

The Authority: The Government Authority for Water and Sewage, 14 Hamasger, Tel Aviv, 61203

The Supplier: _____.

In witness whereof the parties have hereto set their signatures

**Deputy Director of the
Government Authority for Water
and Sewage (Administration and
Human Resources)**

**Accountant to the
Government Authority for
Water and Sewage**

The Supplier

Verification of Signature

I, the undersigned, _____ Adv., do hereby confirm that the Supplier, _____, is legally registered in Israel and that Messrs _____ and _____, who signed this on its behalf, did so before me, and that they are authorised to do so on its behalf and that their signatures on this agreement are binding on the Supplier.

Date

Signature and Stamp of Advocate

Internal confirmations for the purposes of the Ministry only:

Confirmation of the Legal Advisor

Appendix C to the Agreement

**No changes are to be made
to this document!!**

For:
The Government of Israel

Through the Government Authority for Water and Sewage

Re: **Confirmation regarding the taking out of insurance**

Name of Insured Party	ID No.	Address

(hereinafter: the “Insured”)

Subject of the Work
Public Tender no. 100034743 for the provision of consultancy, monitoring and control services of Mekorot Water Co. water projects in Israel.

We hereby confirm that we have arranged the following insurances for the Insured:

A. Employers Liability Insurance

Policy No.	Validity	
	From	Until

1. The policy covers the liability of the Insured towards its employees throughout the region of the State of Israel and the occupied territories.
2. The limits of liability shall be not less than 5,000,000 US Dollars in the equivalent value in New Israel Shekels, per employee, event and year of insurance.
3. The insurance is extended to cover the liability of the Insured towards contractors, sub-contractors and those of their employees that are in the Supplier’s service, should it be considered as their employer.
4. The insurance is extended to indemnify the State of Israel – the Government Authority for Water and Sewage, should it be claimed, in the event of any kind of work accident/professional illness, that these bear any kind of employers’ liability towards any of the Supplier’s employees, sub-contractors and their employees that are in the Supplier’s service.

B. Third Party Liability Insurance

Policy No.	Validity	
	From	Until

1. The policy covers the legal liability of the Insured, in accordance with the laws of the State of Israel, for third party liability insurance, for bodily injury and damage to property arising from its activity throughout the region of the State of Israel and the occupied territories.
2. The limits of liability shall not be less than 1,000,000 US Dollars in their value in New Israel Shekels, per event and per year of insurance.
3. The insurance policy shall include a **Cross Liability** section.
4. The insurance is extended to cover the liability of the insured towards third parties for the activity of sub-contractors and their employees in the Supplier's service.
5. The insurance is extended to indemnify the State of Israel – the Government Authority for Water and Sewage, to the extent that these may be considered liable for the actions or omissions of the Supplier or those acting on the Supplier's behalf.

C. Professional Liability Insurance

Policy No.	Validity	
	From	Until

1. The policy covers all damage arising from a breach of a professional obligation of the Supplier or its employees and all those working on its behalf, where such breach occurred as a result of an action or negligence, including omission, mistake, or oversight, misrepresentation or negligent declaration, where such actions/omissions were made in good faith in connection with the services under the contract;
2. The limits of liability under the policy shall be not less than 1,000,000 US Dollars;
3. The coverage under the policy shall be extended to include the following extensions:
 - a. Fraud and dishonesty on the part of employees;
 - b. Loss of documents, including loss of use of documents as a result of an insurance event;
 - c. Cross liability, however the coverage shall not cover claims of the Supplier against the Government Authority for Water and Sewage;
 - d. Extension of discovery period to at least 6 months

4. The insurance is extended to indemnify the State of Israel and the Authority to the extent these shall be considered liable for the actions or omissions of the Supplier and those acting on its behalf.

D. General

1. No reduction or cancellation of the insurance by either one of the parties shall have any validity unless at least 60 days prior written notice of it has been provided by registered letter to the Authority accountant.
2. We hereby waive any right of subrogation, claim, claim for reimbursement or deductible claim against the State of Israel or the Government Authority for Water and Sewage, and their employees, provided that such waiver shall not apply to someone who causes deliberate damage.
3. The Insured shall be solely liable to us for the payment of insurance premiums for all the insurance policies, and for meeting all the obligations on the Insured in accordance with the terms of the insurance policies.
4. The deductibles in each of the insurance policies shall be borne solely by the Insured.
5. No section in any of the insurance policies which expropriates or reduces in any way at all our responsibility, where there is another insurance, may be exercised against the State of Israel or the Government Authority for Water and Sewage. The insurance is primary insurance entitling the Insured to full rights under the insurance.

Subject to the terms and restrictions of the original insurance policies, to the extent these have not been explicitly changed in accordance with the terms set forth in this confirmation.

Yours sincerely,

Date	Name of Insurance Company	Signature of Authorised Signatory and Stamp of Insurer

Appendix D to Agreement
Performance Guarantee

Name of Bank/Insurance Co.	Telephone No.	Fax No.

For:
The Government of Israel
Through the Government Authority for Water and Sewage

Dear Sir/Madam

Re: **Our Guarantee No. _____ for _____ NIS**

We hereby pledge to you to pay off up to the total amount of _____ NIS (and in words: _____ New Israel Shekels), which will be linked to the Index, which you will claim from _____ (hereinafter: the "Debtor"), in connection with the Public Tender No. 100034743 for the provision of consultancy services, monitoring and control of Mekorot Water Co. water projects in Israel.

We will pay you the aforementioned amount, within 15 days of the date of your first demand sent to us in writing by registered mail, without your having to give reasons for your demand and without claiming any claim of defence against you where such claim might be available to the debtor in connection with the debt to you, or first requiring the payment of the aforementioned amount by the debtor first.

This guarantee shall be in force from _____ [date] until _____ [date].

A demand in accordance with this guarantee should be directed to the branch of the bank/insurance company as follows:

Name of Bank/Insurance Co.	Bank No.	Branch No.	Address

This Guarantee is not subject to transfer.

Yours sincerely,

Date

Full Name

Signature and Stamp

Appendix E to the Agreement

Declaration regarding Confidentiality

Introduction

WHEREAS An agreement has been signed between the Supplier, _____, (hereinafter: the “**Supplier**”) and the Government Authority for Water and Sewage (hereinafter: the “**Authority**”), following the Public Tender No. 100034743 for the provision of consultancy services, monitoring and control of Mekorot Water Co. water projects in Israel (hereinafter: the “**Agreement**” and the “**Services**” respectively); and

WHEREAS I am employed by the Supplier as an employee or as a contractor, amongst other things for the provision of the Services to the Authority; and

WHEREAS The Authority has agreed to contract with the Supplier on condition that the Supplier, including its employees, sub-contractors and anyone else acting on its behalf keeps confidential any information, as this term is defined in accordance with the provisions of this undertaking, and also on the basis of the undertaking of the Supplier to do everything necessary to keep confidential the information, as defined herein-below; and

WHEREAS It has been explained to me and I am aware that during the course of my employment or in connection therewith it is possible that I will deal with Information or Knowhow, or I will receive Information or Knowhow into my possession, or Information or Knowhow of any kind will come to my knowledge, including correspondence, opinions, material, software programmes, studies, documents, records, drawings, trade/business secrets or knowledge as the term is defined in Section 91 of the Penal Law 5737-1977, of various kinds not in the public domain, or Information which reaches me as a result of, or in connection with the agreement, whether during the course of its performance, beforehand or afterwards, or Information the knowledge of which will serve as a “short cut” to get to information which the public are able to access, whether verbally or in writing, including by photocopying, CD, disc on key, email or any other tool or means by which Information may be stored directly or indirectly, including, but without derogating from the generality of the foregoing, data, documentation and reports (hereinafter: the “**Information**”); and

WHEREAS It has been explained to me and I am aware that, the disclosure or failure to keep the Information confidential or the delivery of the Information in any form whatsoever to any person or body other than the authorised representatives of the Authority for the purposes of the Agreement, without the prior written approval of the authorised representative of the Authority, is liable to cause considerable damage to the Authority or third parties and constitutes a criminal offence under Section 118 of the Penal Law, 5737-1977.

Accordingly, I, the undersigned, do hereby undertake to the Authority as follows:

1. The introduction to this undertaking is an integral part thereof.
2. To preserve as completely and absolutely confidential, both the Information or anything relating to or deriving from the provision of the Services.
3. To use the Information solely for the purpose for which it was provided or brought to my attention as part of the provision of the Services, and subject to the above, not to use the Information or exploit it for my livelihood or for any other personal use which is not in accordance with the above, and also not cause or allow others to exploit the Information in any way whatsoever.
4. And without derogating from the generality of the above, I undertake during the course of my employment by the Supplier or afterwards not to allow any person or body or institution of any kind to receive the Information whether directly or indirectly, nor to publish, pass on, notify, deliver or bring the Information to the knowledge of any person or body, and also not to let out of my possession either the Information or any other written material or any article or thing, whether directly or indirectly, to any party whatsoever.
5. To take meticulous precautions and to do whatever is necessary to comply with my undertaking in accordance with this undertaking, including keeping the Information confidential, and amongst other things taking all the necessary precautions from a safety, security, administrative or other aspect.
6. To bring the contents of this undertaking to the attention of my employees or sub-contractors or anyone else acting on my behalf including this obligation of confidentiality and the penalty for failing to fulfil the obligation.
7. To return to the Authority immediately upon being requested to do so, any material, written or otherwise, or article which I received from the Authority or which belongs to the Authority, or which came into my possession as a result of providing the services or which I received from a person or body as a result of providing the services, or any material which I prepared for the Authority. Likewise I undertake not to keep any copies in my possession of such material or of the Information.
8. In any event of my breaching this undertaking, including in any event of my revealing such Information which belongs to the Authority or which is in its possession or which is related to its activities, you will have a separate and independent right of claim against me for breach of the aforementioned confidentiality undertaking.
9. I declare that I am aware that use of the Information which is not in accordance with this confidentiality undertaking, including delivery of such Information to another, constitutes an offence under the Penal Law 5737-1977, and under the Privacy Protection Law 5741-1981.
10. I declare that I have read the provisions relating to confidentiality, and my obligations under Section 117 of the Penal Law 5737-1977 are clear to me.

**Water Authority
Tender Committee**

**State of Israel
Development Division**

Public Tender no. 100034743 to provide consultancy, monitoring and control services of Mekorot Water Co.
water projects in Israel

11. My undertaking herein shall not be interpreted as creating a personal relationship of any kind whatsoever between myself and the Authority.
12. I agree and I am aware that the provisions of this confidentiality undertaking shall apply to all the copies of the Information which may be obtained by me in any way whatsoever.
13. I agree and I am aware that nothing in this undertaking shall derogate from any right or remedy or other power accorded to the Authority in accordance with any law or agreement including this Agreement.

In witness whereof I have hereto set my signature

Name of Authorised Signatory/Employee	Signature	Date