Shanghai Municipal Transportation Commission

Shanghai Development and Reform Commission

Shanghai Municipal Commission of Housing，Urban-Rural Development and Management

Shanghai Municipal Finance Bureau

Shanghai Public Security Bureau

Document

Notice on Further Strengthening the whole process management of road maintenance project in Shanghai

All relevant departments:

In order to further strengthen the whole process management of the maintenance project of the city's non toll highways and the general national and provincial trunk roads (hereinafter referred to as "road maintenance project"), optimize the market business environment of the city's road maintenance project, optimize the market order and government supervision process, in accordance with the relevant laws and regulations of the state and the city, the relevant work notice is as follows:

**1. Definition and classification of Road Maintenance Project**

Road maintenance project includes road repair and maintenance, preventive maintenance, special maintenance and emergency maintenance.

Repair and maintenance are divided into minor repair project, medium repair project and major repair project. Minor repair project refers to the operation of carrying out special sporadic maintenance on the road and its facilities along the line to repair the minor damage; medium repair project refers to the project of regularly repairing and strengthening the general damage of the road and its facilities along the line (such as the repair of the overall surface layer, the partial reinforcement of the bridge, the improvement of auxiliary facilities, etc.) to restore the technical condition of the road; major repair project refers to the project of repairing the large damages of the road and its facilities along the line periodically and comprehensively, so as to recover to the original technical standards.

For preventive maintenance and special maintenance, refer to the management of road intermediate maintenance project. Emergency maintenance shall be carried out in accordance with the procedures prescribed by the state and *Administrative Measures of Shanghai Municipality on the Construction of Emergency Rescue and Relief Projects*.

**2. Further strengthen budget management of road maintenance project**

Only after the relevant approval documents have been obtained according to the relevant regulations and the relevant sources of funds have been implemented, can the bidding activities be organized. The road maintenance project funds shall be fully included in the budget management of the financial department, reasonably made by the road maintenance management department and incorporated into the department budget of the department, and implemented in accordance with the relevant budget system.

The budget of road maintenance works shall be made in accordance with *the Budget Quota of Shanghai Municipal Engineering*, with reference to *the Budget Quota of Shanghai Municipal Engineering Maintenance and Repair*, *the Budget Quota of Shanghai Road Engineering Maintenance and Repair*, *the Budget Quota of Road Engineering of the Ministry of Communications*, etc., and in combination with the latest market information and price.

**3. Further accelerate the electronic whole bidding process**

When bidding for road maintenance project, the major repair project shall refer to the construction works, and the bidding work shall be carried out on the construction project trading platform; the other maintenance project shall be carried out on the government procurement platform.

The whole process of bidding for road maintenance project will be electronic, and the on-site registration of the bidding for maintenance project will be cancelled. All bidding documents for maintenance project can be downloaded online free of charge. Standard bidding documents and model text of each kind of contract shall be adopted for road maintenance project bidding, and relevant documents can be downloaded on the website of transportation management department.

**4. Further strengthen the management of each link of bidding**

（1） About the way of bidding. If the amount of various expenses of road maintenance project reaches the limit of public bidding, unless the law and administrative regulations stipulate that non bidding can be adopted, public bidding shall be adopted.

（2） About prequalification. The way of prequalification shall not be used in road maintenance project bidding.

（3） About the bid security. The bid security shall be collected for road maintenance project in accordance with relevant national regulations. Generally, the bid security shall not exceed 2% of the bidding price limit, and the maximum amount shall not exceed 800000 yuan.

The tenderer shall not limit the bid security to be paid only in cash or non-cash, and it is encouraged to submit the bid security in the form of bank guarantee supporting materials submitted online on the electronic platform.

The validity period of the bid security shall be the same as that of the bid. The bid security shall be returned to other bidders other than the winning bidder within five days after the notification of award is issued at the latest, and to the winning bidder within five days after the signing of the contract with the winning bidder.

（4） About the deadline for submission of bids. In terms of road maintenance works, the minimum period shall not be less than 20 days from the date of issuance of bidding documents to the deadline of submission of bidding documents. Generally speaking, if there is no need to issue a clarification or modification announcement, it is 20 days.

（5） Clarification and modification of bidding documents. The bidding documents for road maintenance projects may be clarified or modified as necessary, but the bidding object and qualification conditions may not be changed. The clarification or modification shall be issued at least 15 days before the deadline for submission of tender documents required by the bidding documents, and those less than 15 days shall be postponed to 15 days, and all recipients of the bidding documents shall be notified in electronic form. The clarification or modification is an integral part of the bidding document.

（6） About the time of bid opening. The bid opening of road maintenance projects shall be conducted publicly at the same time as the deadline for submission of bidding documents.

（7） About bid evaluation methods. For the construction of road maintenance project, the lowest evaluated bidding price method or comprehensive evaluation method can be adopted. The lowest evaluated bid price method is only applicable to projects with general technical and performance standards or without special requirements of the bidder for its technology and performance; when comprehensive evaluation method is used for bid evaluation, personnel, technical scheme, construction period, quotation and other factors in the bidding documents shall be comprehensively evaluated.

The comprehensive evaluation method shall be adopted in the bidding for the design, survey, supervision and other expenses of road maintenance project to score the bidder's business documents and technical documents, and recommend the bid winner according to the sequence of comprehensive scores from high to low. The evaluation weight of the bid price is generally 10%, and shall not exceed 30%.

（8） About the correction of errors in bidding documents. During the bid evaluation of road maintenance project, the tenderer shall not correct the substantive errors specified in the bidding documents; for non substantive errors, such as unclear contents, obvious words or calculation errors, the bid evaluation committee shall correct or require the tenderer to clarify or explain according to the bid evaluation standards and methods specified in the bidding documents, and if the bidder does not accept the amendment or clarify or explain as required, the bid evaluation committee shall reject the bid.

（9） About the abnormally low bid price. During the bid evaluation of road maintenance project, if the bid evaluation committee considers that the bidder's offer is significantly lower than that of other bidders, it may require the bidder to make a written explanation, comprehensive unit price analysis, etc., and provide relevant supporting materials. If the bidder is unable to reasonably explain or provide relevant supporting materials, resulting in high risk of contract performance, the bid evaluation committee will treat the bid as invalid in accordance with the provisions of the bidding documents.

（10） About the time of bid announcement. After the completion of the bidding evaluation of the road maintenance project, for the major repair project, the candidates and the results of the bid winning shall be publicized respectively in accordance with the provisions of *the Administrative Measures for Bidding and Tendering of Shanghai Construction Project*. For other maintenance projects, the tenderer shall determine the first ranked bidder as the bid winner according to the evaluation report of the bid evaluation committee, and directly publicize the bid winning results. The tenderer shall, within two days from the date of receiving the bid evaluation report, publicize the winning bidder in the specified media. The public notice period is generally three days, but not less than three days.

（11） Contents of bid announcement. The publication of the bid winner of a road maintenance project shall indicate the name of the bid winner, bid price, score, construction period, qualification, performance and information of the project leader, the main reasons for determining the bid winner, the channels and ways of raising objections, and other contents as stipulated by laws and regulations and bidding documents.

At the same time of publicizing the winning bidder, for the bidder whose bid meets the requirements of the bidding documents, the tenderer shall inform its score and ranking in writing; for the bid rejected, the tenderer shall inform its reason in writing.

**5. Strengthen management of bid assessment experts and tenderer representatives**

（1） Bid assessment committee. The bid assessment committee of road maintenance project shall be composed of tenderer representatives and experts in technology, economy, etc. The number of the members shall be the odd numbers more than 5, among which the experts in technology, economy, etc shall not be less than two thirds of the total number of the members. The bid assessment experts shall be randomly selected from the expert database of municipal bid platform by the tenderer or bidding agency according to corresponding national regulations.

（2）Bid assessment expert. The bid assessment experts for road maintenance project shall meet the following conditions: (1) having worked in the relevant professional areas for 8 years or more and possessing the senior title of professional post or the same professional level; (2) being familiar with the laws and regulations related to bid invitation and bidding, and having practical experience related to the projects inviting bids; and (3) being able to perform the duties earnestly, fairly and honestly. In addition, the bid assessment experts shall not (1) be the bidder or close relative of the bidder; (2) be the personnel of the departments in charge of the project or of the administrative supervision departments; (3) have economic interest relations with the bidder which may interfere the fairness of bid evaluation.

（3）tenderer representative. The tenderer representative participating in road maintenance project bid assessment shall be familiar with bidding business; abide by the principle of honesty, integrity and impartiality; treat every participator of the bid activity fairly and impartially. The tenderer representative shall not conduct any private meetings with the bidder or personnel having relations with the bidder.

**6. Strengthen contract management**

（1）Contract signing and time limit. The tenderer shall sign the contract with the bid winner within 10 days following the end of publicity of bidding result. Electronic contract is encouraged, instead of paper contract. Unless due to force majeure, the tenderer and bid winner shall not sign any other agreement contrary to the substantial contents of the contract.

（2）Subcontract and assignment. The tenderer, who allows subcontract during the performance of contract, shall make clear statements about its content, price or proportion in the bidding document. The bidder shall announce its intention to subcontract the project in bidding period and cover its subcontractor’s qualification and business performance in the bidding document.

After the signing of contract, if the bid winner intends to subcontract the project, it should notice the tenderer in writing. The bid winner could subcontract the project with the consent of the tenderer. Any assignment and illegal subcontract is prohibited. It is invalid for subcontractor to sub-subcontract non-labor work or for labor dispatch agency to subcontract its labor work.

The contract awarding units and contractor shall conclude written contract, specifying the rights and obligations of each party. The subcontractor shall account for the quality and safety of its subcontract project and the overall contractor shall jointly account for the subcontractors.

（3）Adjustment of contract price. During the performance of road maintenance contract, including construction delay period, the risk of cost increase due to workforce, material and equipment shall be borne by the bid winner. The price of the contract shall not be adjusted in principle.

（4）Contract modification. During the road maintenance project, if the project requires modification, including workload, additional projects, etc., the tenderer shall organize field research and consider the necessity and rationality of the modification. If a project does require modification, the tenderer shall carry out strict modification procedure. The modification procedure shall be accomplished within 15 days following the submission of modification request from the bidder, except major modifications, including change of construction content, size, standard or exceeding the approved budgetary estimate. The tenderer shall calculate and assess modification requests without additional cost according to its former quotation and those with additional cost according to the content of bidding documents.

For construction project having major modifications, the tenderer shall report to the former supervision unit and accomplish modification procedure with the approval of former supervision unit.

The bid winner shall construct the modification of road maintenance project in principle. If the project’s cost increases over 30% of the contract price or 10 million RMB, the tenderer shall start the bidding procedure anew for the additional project. If the additional project closely adjoins the structure under construction, restrained by the construction site and subject to risk, it may be entrusted to the former bid winner with approval of technology experts summoned by former bid assessment unit and consent of former supervision unit.

For modification requires new bidding or supplementary contract, the tenderer shall publish new bidding result or complete the contract information.

**7. Improve supervision and approval management before construction**

（1）Construction licence. Capital repair projects require construction licence, referring to construction projects. No construction licence is required for other maintenance projects.

（2）Traffic organization plan supervision. The bid winner shall obtain traffic safety licence for road construction project before the start of road maintenance project. For partial repair maintenance project, the tenderer shall summon expert to assess project plan, including specific and practical traffic organization plan. With the approval of experts, then the tenderer shall consult traffic police department for advice and obtain consent. The bid winner shall apply to traffic police department for licence before start, according to the consulting result and specific traffic organization plan mentioned above. Traffic police department shall approve the application and issue Traffic Safety Advice for Road Block and Digging Project within 2 days.

Besides, tenderer shall urge the bid winner to strictly comply with the specific requirements approved by traffic police department during construction. Those who violate the requirements mentioned above shall bear corresponding liability.

（3）Preparation before start. The bid winner could start the maintenance project after informing the tenderer in writing on the basis of accomplishing administrative approval and preparation, including reporting construction organization design, operational environment construction, etc.

**8. Strengthen quality supervision management**

The tenderer shall strengthen quality supervision during the construction procedure and conduct strict quality assessment of the completed part of the project according to Road Maintenance Project Quality Assessment Standard. Qualified part shall be listed into workload and paid according to the schedule. Unqualified part shall be corrected by the bid winner after notice. The corrected part shall be listed into workload and paid according to schedule after assessment. The tenderer cannot impose any unnecessary assessment before the bid winner’s payment request or connect payment request with the result of assessment.

**9. Further strengthen the project acceptance procedure**

The road maintenance project implement phase I completion acceptance. The major repair project acceptance is organized by the transport authority, other project acceptance are organized by tenderer.

（1）Major repair projects: The transport authority shall organize the project acceptance within three days upon receiving written completion acceptance application. The completion acceptance report should be issued within five days after the acceptance meeting was held. If rectification is required, the contents and time limit required to be rectified should be notified through meeting memos, the bid winner shall submit the rectification report to the transport authority within the certain period of time, the transport department shall issue acceptance report within five days after making approval.

（2）Other maintenance projects. The tenderer shall organize project acceptance within three days upon receiving written application. The completion acceptance report should be issued within 2 days after the acceptance meeting was held. If rectification is required, the contents and time limit required to be rectified should be notified through meeting memos, the bid winner shall release the rectification report to the tenderer within the certain period of time, the tenderer shall issue acceptance report within five days after making approval. The tenderer shall submit the acceptance report to the transport authority for the record.

**10. Further optimize contract payment management**

（1）Contract advance payment. In principle, the advance payment of the road maintenance project should be paid within 30 days upon signing the contract, and 30% of the total amount of contract price should be paid as the advance payment.

（2）The progress payment. The progress payment should be paid timely based on the actual progress of the project, the routine inspections organized by the tenderer do not link up with the payment request of the bidder.

（3）Quality deposit. The quality deposit system is implemented in the road maintenance project. No more than 5% of the total amount of project payment is kept as the quality deposit after the completion of the project acceptance, the quality deposit will be reimbursed after reach the defect liability period(1 year in most cases), the deposit can be paid through bank guarantee. In addition to that, no other performance deposit is required by any other forms.

（4）Payment procedure. The bid winner shall issue invoice timely after finished relevant workload declaration confirmation and prepared other necessary payment request materials before make payment. The time the tenderer take between receiving the invoice and finish the payment request shall be no more than 15 days(with the exception of official holidays). the financial department shall finish the payment within 7 days upon receiving the qualified payment request application and document(with the exception of official holidays).

**11. Further strengthen information publication**

（1）The publication of tender intention. The tender intention of road maintenance project should be released to the public through transport authority website, government procurement website, construction engineering transaction website and other platforms. The tender intention should be announced through tendering platform or department website 30 days before releasing tender notice. The contents include the name of the project, main contents, overall investment, construction&installation fees, predicted bidding time and etc.

（2）Publication of the results. Tender results and contract performance should be announced through transport authority official website at the end of the December and the beginning of May each year after all the documents are collected by tenderer.

**12.Further optimize objection and complaint treatment procedure**

（1）Objection and complaint management department. The treatment of complaints occur in tender and bidding activities are managed based on different categories. The complaints occurred in major repair project tender activity are answered and treated by the municipal housing&construction commission, tenderer and agencies provide coordination based on due responsibilities; the tender activity of medium and minor project are answered and treated by the municipal transportation commission, tenderer and agencies provide coordination based on due responsibilities.

If the potential bidder, the bidder and other stakeholders think the activities do not comply with the relevant laws, regulations or ordinances, they may have the right to pose objections to tenderer or file complaints to the relevant administrative supervision department in tender and bid activities. Other stakeholders refer to any legal person, organization or natural person besides tenders who has direct or indirect interests with tender project or activity other than tenderer.

（2）Objections disposal. The potential bidder, the bidder and other stakeholder have the right to pose objections to tenderer if the activities do not comply with the relevant law, regulation or ordinance, and objections can be raised if there is any disagreement with the bidding announcement, bidding document, bid opening, results.

（3）Complaints disposal. The potential bidder, the bidder and other stakeholder have the right to pose objections to tenderer if the activities do not comply with the relevant law, regulation or ordinance, complaints can also be filed to the relevant supervision department directly or through online tender platform.

（4）Time limit and procedure requirement. For any objections and complaints may occur in tender activities will be dealt with in accordance with the Law of the People's Republic of China on Tenders and Bids, Implementation Regulation of the People's Republic of China on Tenders and Bids, and other relevant regulations and ordinances.

**13. Others**

The notice will come into effect on January 1st ,2020.

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