



**TERMS OF REFERENCE FOR THE APPOINTMENT OF AN OPERATOR FOR THE RESTAURANT AT FARMING SYSTEMS
KENYA (FSK) HEAD OFFICE, OLIVE INN, KIAMUNYI, NAKURU TOWN FOR AN INITIAL PERIOD OF TWO YEARS**

FEBRUARY 2021

BID NUMBER: FSK/RESTAURANT/OPERATOR/2021

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GENERAL TERMS & INSTRUCTIONS

Please read the following terms and instructions carefully. Failure to comply with the requirements of these instructions and general terms may lead to the rejection of your tender submission.

1. PREPARATION AND SUBMISSION OF TENDERS

1.1 The Request for Tender (RFT) documentation consists of:

- General Terms & Instructions to Tenderers; and
- Forms of Tender.
- The tender documents can be obtained from the FSK webpage <http://farmingsystemskenya.org>

1.2 Tenders shall be prepared and submitted in accordance with the RFT documentation. FSK shall not incur any obligation or liability towards the successful Tenderer until the written contract has been finalized and signed by both FSK and the Tenderer.

1.3 Tenderers are to submit one (1) pack of original proposals, marked "ORIGINAL" in a separate envelope and three (3) packs of copies, marked "COPY" in a second envelope.

Tender Number: FSK/ FSK/RESTAURANT/OPERATOR/2021

Closing date for submissions: **2nd April 2020 Time: 5:00 PM (East African Time)**

Tenders must be submitted in the Tender Box located in the FSK Building, Kiamunyi, Nakuru-Kabarak highway- Nakuru, during office hours (08:00 – 17:00) Mondays to Fridays.

Tenders may also be submitted by post addressed to:

The Executive Director
Farming Systems Kenya
P.O Box 2816 - 20100
Nakuru

1.4 Tenders received after the Tender closing date and time will be disqualified. This Tender is being issued by FSK and does not constitute an offer. These documents are intended to provide information and guidelines for the preparation and submission of a Tender by the Tenderers.

1.5 All queries and communications in relation to this RFT including but not limited to operational or technical queries should be directed to Executive Director, FSK, at Tel.: +254 724226424 or admin@farmingsystemskenya.org prior to the tender closing date.

1.6 Preparation of the Tender, including but not limited to attendance at any pre-tender meetings and site visits, shall be at the sole expense of the Tenderer.

1.7 The Tender shall be submitted without review by, comparison of figures with, arrangement with, or knowledge of any other person or company submitting a Tender for the same work, and shall in all respects be without collusion with other Tenderers. Tenderers forming a joint venture with another Tenderer in order to submit a single consolidated Tender shall advise FSK prior to the submission of the Tender and include in their Tender full details of the joint venture including a copy of the signed joint venture agreement.

1.8 REQUIREMENTS

1.8.1 Each tender document must include the following documentation and failure to include all these documents will lead to disqualification of the tender:

- a) A current copy of your company certificate of incorporation, memorandum.
- b) Kenya Revenue Authority PIN certificate
- c) A certified copy of **Liability Insurance Cover** for your company and the amount available per claim.
- d) **Original tender document** together with Terms of Reference as attached on the FSK website and **three (3) copies**.
- e) Duly signed and fully completed of standard bidding document (SBD) forms (see annexure 1 -9).

1.8.2 Each tender document must include the following documentation for evaluation purposes:

- a. Copy of the latest Audited Financial Statement.
- b. Completed forms in the Tender and Annexures 1-9.

1.8.3 Other documents to be submitted:

- a. A proof of National Environment Management Agency (NEMA) certificate of registration or valid letter of compliance. If the service provider does not possess a NEMA registration or valid letter of compliance this will be required within 30 days of appointment. If the certificate cannot be presented within this period the second recommended bidder will be appointed.
- b. A proof of Occupation Safety and Health (OSH) certificate of registration or valid letter of compliance. If the service provider does not possess OSH registration or valid letter of compliance this will be required within 30 days of appointment. If the certificate cannot be presented within this period the second recommended bidder will be appointed.

2. EXAMINATION OF REQUEST FOR TENDER (RFT)

2.1 FSK may modify the RFT at any time prior to the Tender due date. Modifications will be made in the form of addenda to the RFT and will be transmitted simultaneously to all Tenderers.

2.2 The Tenderer is responsible for examination of the RFT and addenda and for informing itself in all respects of conditions, which may in any way affect the performance of the work. Should the Tenderer find discrepancies or omissions in the RFT or should any other questions arise, the Tenderer shall notify FSK in writing by e-mail immediately on such discovery of any discrepancy or omission.

2.3 Tenderers should make their own independent studies, enquiries and plans and obtain and furnish to FSK as part of the Tender all information and data that may affect their Tender and their prices, at their own risk and cost and allow for all contingencies irrespective of any information or other data supplied by FSK.

3. CONFIDENTIALITY

3.1 By accepting this RFT the Tenderer agrees to ensure that its members, directors, officers,

employees, agents and representatives (and, where applicable, those of its participating members) use the RFT exclusively to evaluate the Tender opportunity and not for any other purpose. The aforesaid parties are not to divulge or distribute any information or pass any copies of the RFT to anyone else without the prior written approval of FSK and to return the RFT to FSK with all copies thereof promptly upon being requested to do so.

- 3.2** FSK will maintain the confidentiality of information designated as confidential by the Tenderers when it submits its Tender, except where that information is not proprietary or where disclosure is required by Law or is otherwise required by FSK for the purpose of evaluating and selecting tenders. FSK reserves the right to publicly disseminate any information of a non-confidential nature contained in any Tender.

4. SITE INSPECTION AND CONDITIONS

- 4.1** The Tenderer is responsible for making arrangements it considers necessary to become fully informed regarding all conditions that might in any way affect the performance of the contract including any equipment, furniture, fittings, space allocations and similar. Site visits in addition to the compulsory site visit (see 4.3 below) are to be arranged with the FSK management.
- 4.2** Failure by the Tenderer to satisfactorily investigate the conditions as aforesaid shall not relieve the Tenderer from the responsibility for properly estimating the cost of performing the contract in accordance with the RFT.
- 4.3** A compulsory site meeting will be held at the time and date indicated below:

Date: 26th March 2021

Time: 10:00 am

Venue: FSK head office, Olive Inn, Nakuru-Kabarak Highway, Kiamunyi Nakuru town.

5. TENDER VALIDITY, MODIFICATION AND WITHDRAWAL OF TENDERS

- 5.1** The Tenderer may modify or withdraw its Tender at any time prior to the Tender due date specified in the RFT provided that notification of such withdrawal or modification is received by FSK in writing prior to the Tender closing date.
- 5.2** Once submitted, Tenders shall be fully binding upon the Tenderer and shall be valid for a period of 90 days (three months) from the date of submission of the Tender, thereafter as mutually agreed.

6. AWARD OF CONTRACT

- 6.1** FSK shall not be bound to accept the highest, lowest or any other Tender and it shall be entitled to accept all or part of a Tender. It shall not be liable for any costs or expenses or damages incurred by any Tenderer who submits a Tender, irrespective of the outcome of such Tender. If, however, any such Tender leads to the conclusion of a Contract, then the rights and obligations of FSK and Tenderer shall be governed solely by the provisions of such Contract. Should such preferred Tenderer and FSK fail to come to an agreement, FSK may then, at its sole discretion, negotiate the Contract with an alternative Tenderer or decide not to conclude a contract at all.
- 6.2** FSK reserves the right to invite Tenderers, after the closing date but prior to the date for award of their Tenders, to discuss any matter relating to the Tender and/or to issue supplements or addenda to the Tender. FSK also reserves the right, after the closing date and evaluation process, to request Tenderers clarification on the Tender submission. Any such clarifications or addenda or supplements shall be considered as forming part of the Tender documents. Any such discussion, issue of supplements or addenda or invitation to clarify, should not be construed as an acceptance, award or allocation of the Tender to that Tenderer.

7. TENDERERS' RETURN OF DOCUMENTS

Unsuccessful Tenderers' documents will not be returned.

8. INFORMATION TO BE SUBMITTED WITH THE TENDER

Tenderers shall submit their Tenders in accordance with the Forms of Tender.

9. FORMS OF TENDER (Annexure 1 to 9)

9.1 Proposed Concept

Tenderers are to indicate in **Annexure 1** how they intend decorating and furnishing the facilities making use of photographs, sketches, artists impressions, swatches (samples), design boards and similar. Accordingly, the Proposed Concept must explicitly reflect FSK's mission and the organization's business model (see details in 9.3 below). Tenderers must demonstrate how they propose to integrate youth in the business.

9.2 Operating Hours

Tenderers are to indicate intended operating hours for normal operations in **Annexure 2**.

9.3 Product Details & Pricing menu

Since the diversity and quality of products offered for sale will be one of the key criteria on which the contract will be awarded, Tenderers are advised to give as much information as possible on their proposed products in **Annexure 3** including selling prices. As is the case with the Proposed Concept, the product details and pricing menu must take account of the FSKs mission and the organization's proposed business model for the operation of the restaurant.

FSK proposes a 'Hybrid Business Model'. This indicates that FSK would not only own the hotel, but also participate in its management through a partnership with the investor(s) who would run and manage the hotel. Accordingly, management by FSK implies that it would sit in the board of directors of the restaurant. The key motivation for the proposed business model is:

- (i) FSK will contribute in maintaining of best standards/practices at the facility
- (ii) FSK stakeholders and collaborators will have an opportunity to market their products e.g., food stuffs through the restaurant.

Thus, it is anticipated that the 'winning tenderer' will demonstrate that he/she a team of qualified and competent personnel who will then form a company in consultation and in line with the 'Hybrid Business Model']

9.4 Staff Uniform

Tenderers are requested to indicate by means of description, photographs, sketches and fabric swatches (samples), the type, style and colour of proposed staff uniform in **Annexure 4**. The choice of uniform must take into account the FSK work ethic as well as the theme of the restaurant.

9.5 Staff Training Programmes

In **Annexure 5**, Tenderers are to give as much information as possible on their training policy and programmes if any.

9.6 Capital Investment

In **Annexure 6**, Tenderers are to indicate how much they will be initially investing in the Restaurant including equipment, appliances, furniture, decor and any other items they believe would enhance their offer to FSK.

Moreover, tenderers must provide a pragmatic formula of how interested FSK stakeholders would possibly contribute to the restaurant's ownership through acquisition of shares.

Accordingly, in this section, the tenderer must demonstrate how hybridity with FSK in the operation and sharing of revenue shall be achieved in the context of the 'Hybrid Business Model' as defined in 9.3 above.

9.7 Projected sales

Please note: Tenderers are to indicate their projected net sales revenue for the first two (2) years of operation. **Annexure 7**

Rental will be calculated as percentage of monthly turnover as follows:

If the appointed tenderer has to make a substantial investment (in excess of KES 3,000,000) to establish the restaurant then the monthly rental will begin at 5% for the first year and increase annually by 1% per annum until the target of 10% is achieved.

Or

If the appointed tenderer does not need to make a substantial investment to establish the restaurant (less than 3,000,000), then the rental will be 7% and increase annually by 1% per annum until the target of 10% is achieved

In accordance with FSK's lease agreement with operators, Tenderers must take note that the minimum monthly rental payable will be KES 100,000 or percentage of turnover, whichever is highest. The minimum monthly rental will increase annually.

No sub-rental of the premises or business will be allowed without consultation with FSK.

9.8 References & General information

Each Tenderer is required to submit details of three contactable relevant business references in **Annexure 8**.

9.9 Tenderer's History

Each Tenderer is to submit details of its history and relevant experience in **Annexure 9** and a company profile. Each partner to provide an up-to-date Curriculum Vitae

10. EVALUATION CRITERIA

This bid will be evaluated in two stages.

Stage one evaluation: The table below indicates the criteria for the phase one (functionality) evaluation.

FUNCTIONALITY CRITERIA	POINTS
1. Proposed concept of operation needs to be aligned with FSK's mission and business model (Annexures 1 and 4)	15
Proposed concept including visual/pictorial presentation of furniture (9.1) Staff uniforms (9.4)	(10) (5)

2 Proposed selection of products, menu, equipment and added value for money Annexures 3, 6 and 7	40
Product details and pricing menu (9.3)	(15)
Projected sales	(10)
Capital investment and FSK participation (9.6)	(15)
3 Capability of staff and company (part of Annexures 5, 6 and 9)	30
3.1 CVs of staff not more than three pages. CVs to include experience, qualification and previous employer (CVs should be for Management and the Chef, applicable to this operation) and the current company profile	(5)
3.2 Marketing capability (provide previous copies of adverts and marketing activities)	(10)
3.3 List of relevant resources suitable to operate the Restaurant during the contract period. Please attach the list of equipment for the facility.	(10)
3.4 Staff training programme (9.5)	(5)
4 Track record, history and experience relevant to the proposed operation (Annexures 8 and 9)	15
References (9.8)	(5)
Tenderer History (9.9)	(10)
Total	100

Bids that fail to score a minimum of 70 out of 100 points for functionality will not be eligible for further consideration.

Stage two evaluation

Tenderers whose bid scores are above 70 points shall be invited for interviews wherein the winning tenderer/operator shall then be identified.

11 EXCLUSIVITY

Unless specifically agreed upon, the successful Operator is not guaranteed of any business from FSK that may be arising from time to time pertaining to similar or other services. The Operator will be entitled to compete on an equitable basis for any such business on a quotation or tender basis. The Operator will be required to sign a new contract with FSK for the service or business.

ANNEXURE 1: DETAILS OF PROPOSED CONCEPT

ANNEXURE 2: PROPOSED OPERATING HOURS

ANNEXURE 3: PRODUCT DETAILS & PRICING MENU

ANNEXURE 4: STAFF UNIFORM

ANNEXURE 5: STAFF TRAINING POLICY & PROGRAMMES

ANNEXURE 6: CAPITAL INVESTMENT

ANNEXURE 7: PROJECTED REVENUE FOR THE FIRST THREE YEARS

ANNEXURE 8: CONTACTABLE BUSINESS REFERENCES

*Please provide details of three RELEVANT business references as follows:

Reference 1:

Name of reference:

Contact person:

Telephone numbers:

Length of contract/trading period:

Reference 2:

Name of reference:

Contact person:

Telephone numbers:

Length of contract/trading period:

Reference 3:

Name of reference:

Contact person:.....

Telephone numbers:

Length of contract/trading period:

ANNEXURE 9: TENDERER'S HISTORY & GENERAL INFORMATION

Full legal company name	
Registered office physical address	
Postal address	
Telephone number	
Contact name	
Is the company the provider of the proposed service? If not, please supply the name and address of the other provider.	
How long in years has this company been operating in this business?	
Please indicate the proposed team structure that will be dedicated to the proposed service and provide CVs of key personnel involved.	
Please provide a copy of the last two years' consolidated income statements and cash flow statements and balance sheets.	