

**REPUBLIC OF CROATIA**

**MINISTRY OF PHYSICAL PLANNING, CONSTRUCTION AND STATE ASSETS**

**EARTHQUAKE RECOVERY AND PUBLIC HEALTH PREPAREDNESS PROJECT**

**TERMS OF REFERENCE**

**FOR CONSTRUCTION PROJECT MANAGEMENT CONSULTANCY SERVICES DURING  
EXECUTION PHASE FOR CROATIAN INSTITUTE FOR PUBLIC HEALTH BUILDING IN  
NAZOROVA 53**

Proc.ref.no.: MoPPCSA/ER&PHPP/C1.2.33/CS-CQS

**I. PROJECT BACKGROUND**

The Government of Croatia and the International Bank for Reconstruction and Development (IBRD) have signed Loan Agreement (Loan No. 9127-HR) for a loan in a total amount of EUR 183,9 million (approx. USD 200 million) for the implementation of the Earthquake Recovery and Public Health Preparedness Project. The Loan Agreement was ratified and published in Official Gazette No. 04/2020 on August 14, 2020. The Croatia Earthquake Recovery and Public Health Preparedness Project became effective on December 16, 2020, and will be implemented over the course of four years (until June 30, 2024) with extension pending approval.

The World Bank is assisting the government of Croatia to deal with a multi-layered emergency linked to the physical effects of the March 22, 2020, and December 28-29, 2020, earthquakes and the COVID-19 pandemic as well as to the socio-economic and fiscal implications of these calamities.

The Project Development Objective (PDO) is to assist Croatia with earthquake reconstruction efforts in Zagreb and the surrounding areas, Karlovac County and Sisak-Moslavina County to restore critical service delivery; to prevent, detect, and respond to the threat posed by COVID-19 and to strengthen national systems for public health preparedness.

The Ministry of Physical Planning, Construction and State Assets (hereinafter the Client), with the World Bank coordination, has prepared these Terms of Reference (hereinafter the ToR) for the purpose of a tender for the engagement of a consultant (hereinafter the Consultant) to provide construction project management services described in this ToR.

**I.I. Croatian Institute for Public Health Building in Nazorova 53**

The CIPH building is located at 53 Nazorova Street in Zagreb, cadastral unit 1256, cadastral municipality Centar on a parcel of 817 m<sup>2</sup>. The parcel is of the same size as the building footprint and is surrounded by the cadastral unit 1257/1 that is shared with other two users: Home for Children and Faculty of Law. It was designed in 1941 by architect Stjepan Planić. The building holds no individual protection, but the area is situated in Historical Urban Entity of the City of Zagreb that is protected cultural heritage (Register of Cultural Property no. Z-1525). It previously housed the Center for Education Vinko Bek – center for blind children – up to 2016 and now the building is vacant.

It is a single building with total gross area of 3,270 m<sup>2</sup> divided into a basement, ground floor and 3 floors. The building has a reinforced concrete frame structure with solid brick infill. The ceiling structure of the northern and southern volumes are fine-ribbed ceilings and ceiling structure of the central volume are reinforced concrete slabs. The building sustained moderate damage after the March & December 2020

earthquakes. Due to lack of maintenance, improper use of building in the past few years and the recent earthquakes the building requires rehabilitation.

The building is planned to be retrofitted, rehabilitated, and converted into multi-function building of the CIPH to house the Department for Occupational Health including diagnostic capacities, dormitory, and teaching rooms.

According to the Conservation Guidelines (Konzervatorske smjernice), Class 612-03/22-005/513, Reg.no 251-14-02/007-22-2, 31 August 2022, City of Zagreb Institute for Conservation of Cultural and Natural Heritage the building is valorized as a historical building of a certain architectural quality and degree of preservation of the original features, which essentially determines the historical physiognomy and image, as well as the ambient characteristics of the surroundings and the city. The system of protection measures for the building mandates the preservation and re-establishment of the original features in the exterior and interior, standards, design characteristics, especially the I, roof, and staircase, as well as the basic structural system and preserved original elements of design and equipment of common parts of the building. Furthermore, it mandates the possibility and obligation of interventions with the aim of removing later interventions that degraded the values of the original, as well as non-invasive interventions in the interior of the building to adapt it to modern needs of use or new purpose. First conceptual solution has been developed in 2022 and its amendments and upgrades have been developed in July 2023 by JV Ing4Studio and Toding (attached in ANNEX 1) with accompanying special requirements that have been obtained. Main design is under development with estimated completion in November 2023. Building permit is to be obtained in December 2023, along with completion of Detailed Design and Bill of Quantities.

## **I.II. Consultant's assignment**

The Consultant's assignment (hereinafter: Assignment) is to provide construction project management services for the retrofitting of Croatian Institute for Public Health Building in Nazorova 53 in Zagreb.

## **II. SERVICE OBJECTIVE**

The Construction Project Manager shall be appointed by the Client in order to optimize the use of funds and time before passing the investment decision and planning budgetary funds as well as to ensure legal and quality project preparation and its successful implementation. The Construction Project Manager shall be responsible to the Client for the legal and correct performance of the works specified in this ToR.

The construction project management service is defined by the Law on the Physical Planning and Civil Works and Activities (*OG no. 78/15, 118/18, 110/19*), Law on the Croatian Chamber of Architects and Croatian Chamber of Construction and Physical Planning Engineers (*OG no. 78/15, 114/18, 110/19*), Rulebook on the Project Management Know-how (*OG no. 85/15*) and other legal acts that are being enforced.

According to the mentioned Regulations construction project management services includes following tasks:

1. financial, legal, and technical consultancy regarding project design, construction, usage, and removal of buildings;
2. financial, legal, and technical preparation and planning of the construction-related tasks and monitoring the implementation of the plan;
3. programming and planning in the project conception stage which includes data collection, project program development and monitoring the implementation of the program;
4. consultancy, selection and contracting of the tasks for the project designer, project controller, supervisory engineers, contractors, licensed geodetic engineer, and other persons performing the construction-related tasks and advising on contracting the works with these persons;

5. linking and harmonizing the work of project designer, project controller, supervisory engineer, contractors, licensed geodetic engineer, and other persons who participate in the construction as well as supervision over their work for the purpose of protecting the rights and interests of the Client;
6. obtaining documents, analyses, studies, elaborates and other documents required for the development of the Conceptual, Main and Detail Design projects and the Demolition Design;
7. obtaining all the documents and concluding all legal affairs required for issuing the document on the implementation of physical plans, construction, usage and/or removal of a construction and obtaining these documents;
8. obtaining all the documents and concluding all legal affairs required for erecting a construction and performing the works that the Client must perform during the erection of a construction;
9. project control system development and its monitoring and implementation control which involves the development and overview of a planned schedule with engaged resources, updating of the initially planned as compared to the project realization, dynamic risk analysis throughout the project, report on the quality control of the investments archived, proposed solution for the current or projected problems in the temporal, technological and cost aspect of the realization.

### III. SCOPE OF SERVICES AND TASKS

All tasks will be performed in compliance with the requirements of Croatian legislation and in accordance with the obligations of this agreement.

Prior to start of the engagement, Consultant shall develop Methodology and Organization – a document which presents methodology and organization of provision of services in accordance with national law and legislation and this Terms of Reference. Methodology and Organization shall be in line with IPMA, PMI or Prince2 standards.

The Project consists of following project activities (hereinafter: Activities):

**A1. Development of Detailed Design;**

**A2. Execution of works;**

**A3. Supervision of works,** including supervision and monitoring of environmental compliance with ESMP Checklist.

ESMP Checklist for Croatian Institute for Public Health building in Nazorova 53 has been prepared by Client (PIU 1 Team) and will be consulted and finalized before contracting the construction works. ESMP Checklist will be annex to works contract. Draft ESMP Checklist is attached as ANNEX 3 of this ToR.

Consultant will be responsible for execution of listed tasks:

#### **TASK 1: Development and monitoring of Project Implementation Plan**

Consultant shall develop, monitor, and accordingly update Project Implementation Plan. This plan will include:

- A detailed financial plan for the entire duration of the Project; the estimation shall be made based on concluded contracts under individual Activity. Financial plan shall be updated according to changes and variations in project implementation but at least once a month.
- Time plan of activities and sub-activities and its alignment with changes and variations during project implementation. Time plan shall be updated immediately after occurrence of variations and conducted in real time.

- Key Performance Indicator (KPI) methodology development and implementation. The Consultant shall propose a system for monitoring the effectiveness of the Project implementation through KPIs.

The Project Implementation Plan shall be a part of the regular monthly report.

**TASK 2: Risk management**

The goal of risk management is to either avoid or reduce the risks in Project implementation to an acceptable level by implementing mitigation measures in order to reduce the probability of risk occurrence or the impact of risk realization or both at the same time.

The Consultant shall develop risk management methodology that will include at least the following:

- risk identification;
- possible consequences of risk occurrence;
- impact of the consequences on project implementation;
- estimation of occurrence probability,
- risk matrix based on occurrence probability and impact;
- proposed risk avoidance measures;
- proposed risk mitigation measures.

Risk management shall be presented and carried out through the Risk Register. Risk Register shall be a part of the regular monthly report. Consultant shall continuously advise the Client regarding risk management, immediately upon risk occurrence.

**TASK 3: Coordination of Project stakeholders, Project partners and third parties**

The Consultant shall provide support to the Client in coordination of Project stakeholders and any other parties involved in the Project. The Consultant shall provide support and assist with the following:

- coordination and representation of the Client's interests in the process of detailed design preparation, construction, permit issuing and taking over of works;
- communication with all of the stakeholders and other parties representatives;
- preparation of the Communication plan;
- assistance in ensuring the availability of all necessary documentation and archiving during Project implementation;
- presence and participation in all coordination meetings and preparation of minutes of meeting when the preparation is not the obligation of the supervising engineer;
- preparation of answers and expertise on demand on behalf of the Client to inquiries related to the subject of the Project.

**TASK 4: Administrative and technical project management**

The Consultant will assist in performing of administrative and technical management duties in accordance with the contracts (Activities) conditions, relevant law and regulations. The Consultant shall ensure implementation of contracts (Activities) in accordance with its obligations.

Consultant shall monitor implementation of Activities and respond accordingly. Consultant shall promptly notify the Client with details of any factors that may jeopardize the implementation of Project. In order to keep records of such factors and issues, Consultant shall prepare and continuously conduct Issue Register. The Issue Register will be basis for coordination meetings between Consultant and the Client.

Consultant shall assist with the following:

### **A1 – Development of Detailed Design**

The Consultant shall monitor and control the design process (including the progress of designer's deliveries). The Consultant shall monitor, control, and verify design completion progress for the purposes of verification of contractual payments milestones/baseline. The Consultant shall include the design completion progress report in regular reporting deliverables.

The Consultant shall review and approve all designer's deliverables (including technical solutions within design documents, bill of quantities, cost estimates, technical description, technical specification, audit of structural safety, etc.) and ensure they are in line with all the relevant national regulations, including structural safety and European standards related to construction (Eurocode 8: Design of structures for earthquake resistance), environmental, Occupational (OHS) and Community Health and Safety (CHS) regulations and, World Bank Environmental and Social Policies (Environmental and Social Framework – ESF) requirements, the World Bank Environmental Health and Safety Guidelines, the Good International Industry Practice (GIIP).

### **A2 – Execution of works**

During the implementation of works contract, Consultant is obliged to perform following tasks:

- verification and approval of Insurance and Performance security submitted by the Contractor;
- review of any designs, blueprints, reports and other documentation submitted by the Contractor;
- participation in regular weekly and monthly meetings, construction site coordination meetings and construction site visits;
- monitoring the cost of works and expenditures and reporting to Client;
- verification of interim and final payment certificates, invoices and other documentation by sampling method;
- keeping records of Variations and Adjustments;
- monitoring the implementation of environmental protection measures and safety at work measures;
- support in Claims, Disputes and Arbitration Proceedings.

### **A3 – Supervision of works**

The contract on supervision of works, including supervision and monitoring of environmental compliance at worksites, will be concluded by the Client with the legal entity that will perform the services. The Consultant is obliged to monitor the execution of supervision of works contract in accordance with its obligations. During the implementation of supervision of works contract, Consultant is obliged to perform following tasks:

- quality control of the supervision services;
- control and approval of supervision service provider reports;
- monitoring of supervision service provider presence on construction site and in contract implementation in general;
- ensuring the fulfilment of Contractor and Supervision obligations in accordance with General and Special Contract Conditions.

### **TASK 5: Support in procurement activities**

Consultant shall provide support to the Client in procurement of contractors and service providers. This implies providing advice and support in producing bidding documents, terms of references, and (if the

Client decides on case-by-case basis) participating as Committee member in evaluation of bids, proposals and expressions of interest (depends on procurement approach/method).

#### **TASK 6: Participation on the meetings and reporting requirements**

After the Kick-off meeting the Consultant shall review all existing relevant documentation and develop Initial Report with appropriate material discussing the feasibility of the project, special problems, risks, and opportunities. Initial report shall be in line with IPMA, PMI or Prince2 standard and shall include description of monitoring and controlling processes of the project execution, but also definition of monthly reports content.

Results of monitoring and controlling activities shall be included in Monthly Reports which shall be developed in accordance with the defined scope within Initial Report. Submitted reports will be reviewed by the Client and approved or returned for revision and/or resubmission. Monthly reporting corresponds to execution phase and starts with the month in which works commenced.

Monthly Reports are the monthly meeting preparation materials and shall be developed in timely manner. Monthly meetings shall be held a few days after the submission of the Monthly Report by the Consultant and according to the agreed time schedule. Consultant shall organize and participate on the monthly coordination meetings. The Consultant shall prepare draft Coordination Meeting Reports of each meeting held and distribute them to the Client. The Client shall provide comments on those draft Reports.

The Consultant shall organize and/or participate on the ad-hoc meetings, which the Client or Consultant convenes or announces to the other party few days in advance in writing with a draft agenda for that meeting attached. The Consultant is also required to prepare draft Coordination Meeting Reports of such meeting and submit them to the Client.

The Consultant also shall develop any other Specific Reports (in line with IPMA, PMI or Prince2 standard) according to the Client's requirements whose content will be determined and agreed between the Consultant and the Client, as well as submission deadline.

At the end of the consultancy service engagement the Consultant shall develop Final Report which shall include project summary, project execution analysis, cost analysis, designer's deliveries quality analysis, etc. and shall be in line with IPMA, PMI or Prince2 standard.

All reports shall be submitted through the e-mail in appropriate format (.docx and .pdf). Approved reports shall be also shared through the e-mail in appropriate format (.docx, .xlsx, .pdf).

Reports shall be written in Croatian language and each report (Inception Report, Monthly Reports, Coordination Meeting Reports, Specific Reports, Final Report) shall have one page summary in English language.

#### **IV. SUBMISSION AND TIME SCHEDULE FOR DELIVERABLES, CONTRACT DURATION, AND REPORTING REQUIREMENTS**

During the Assignment, Consultant shall prepare and submit appropriate deliverables to the Client for approval. All deliverables shall be submitted through the e-mail in appropriate format (.docx, .xls, .pdf). Approved reports shall be also shared through the e-mail in appropriate format (.docx, .xls, .pdf)

Time schedule for deliverables is as follows (days listed below are calendar days):

<b>No.</b>	<b>Deliverable</b>	<b>Delivery deadline</b>	<b>Timeline for approval</b>
1.	Initial Report	14 days after Commencement of Services or immediately upon conclusion of all the contracts within Activities	7 days after submission
2.	Methodology and Organization	14 days after Commencement of Services or immediately upon conclusion of all the contracts within Activities	7 days after submission
3.	Report on Detailed Design Analysis	7 days after receiving draft project documentation, i.e. Detailed Design	7 days after submission
4.	Project Implementation Plan	28 days after Commencement of Services or immediately upon conclusion of all the contracts within Activities	7 days after submission
5.	Risk Register	14 days after Commencement of Services or immediately upon conclusion of all the contracts within Activities  Continuously as a part of monthly report	7 days after submission
6.	Communication Plan	7 days upon conclusion of all the contracts within Activities	7 days after submission
7.	Monthly Report	7 days after the end of the reporting period	7 days after submission
8.	Coordination Meeting Report	The following day	No approval
3.	Issue Register	The day before weekly coordination meeting	No approval
10.	Specific Report according to the Client's requirements	Will be agreed	7 days after submission
11.	Final Report	14 days before the end of services	14 days after submission

Consultant shall ensure completion of services on time and without any delay. Also, all deliverables prepared in connection with the service shall immediately upon completion be submitted to the Client for its review and approval. The Client will review and approve or return deliverables for revision and/or resubmission within previously defined period in the table or any other period defined by the Client upon receiving each of the deliverables.

In the Contract, the Consultant shall assign all intellectual property rights of its work to the Client, including intellectual property rights of any deliverable which Client finds unacceptable and for which it refuses payment.

The estimated period for providing the services is twenty (20) months after Commencement of Services but in any case, the Assignment ends one month after the completion of the works, i.e.. issuing of Taking-Over Certificate.

## **V. TEAM COMPOSITION, MINIMUM QUALIFICATION AND EXPERIENCES**

The construction project management service can be performed by a legal entity or a natural person who is a craftsman, registered for performing the construction project management activities and employing one Construction Project Manager (in the stage of evaluation of the expression of interest, it is sufficient to prove that the Consultant has the Construction Project Manager at his disposal).

The Consultant (legal entity or a natural person-craftsman) shall prove the experience in implementing similar services. The experience that the Consultant shall have and is of relevance for the conduction of these services shall be experience in performing construction project management service in the year in which this procurement is conducted and the previous five (5) years:

- the Consultant shall have a minimum of one (1) project references related to the performance of similar tasks (project management or technical consulting services), with a construction investment value of more than EUR 3 mil (without VAT).

The Consultant's team is required to include experts who have relevant skills, experience, and qualifications to perform previous defined tasks as follows:

- i. The Consultant shall employ a Construction Project Manager as required by the above-mentioned Regulations. The Construction Project Manager is a natural person having no less than eight (8) years of work experience with relevant tasks and a degree in the scientific area of technical sciences in one of the following scientific fields: architecture and urban planning, civil works, structural, electrical or mechanical engineering, having completed the undergraduate and graduate degree or an integrated undergraduate and graduate degree conferring the title of the master of science, master of engineering or having successfully completed the corresponding specialised graduate study from the afore-mentioned fields, conferring the title of specialist engineer, if he or she acquired during the studies no less than 300 ECTS points or a relevant educational degree in any other way stipulated by regulations and having the required knowledge from the project management field.

The Construction Project Manager has the necessary knowledge in the project management field if has:

- internationally recognized project management certificate or;
- education in the field of architecture, civil engineering, electrical engineering, or mechanical engineering with an educational program that includes at least 30 ECTS points from the areas of relevance for the construction project management.

Internationally recognised project management certificates and curricula are determined in accordance with the Rulebook on the project management know-how (OG no. 85/15).

The expert proposed for the Construction Project Manager position shall have following experience:

- minimum of four (4) references in the performing of construction project management service for building projects. In those four (4) references sum of investment value's must be over EUR 9 mil (without VAT).



- Within these four references one of them must be for performing construction project management service for at least one retrofitted public building project with an area larger than 3.000,00 m<sup>2</sup>.
- ii. The Consultant shall have knowledge of FIDIC standards and procedures, or World Bank provided General Conditions of Contract for works, Croatian legislation and norms in the construction, civil engineering, spatial planning, and environmental protection domains.
- iii. The Consultant shall have advanced computer skills of using Microsoft Office, AutoCAD, and communication software.

Construction Project Manager will be responsible for the execution of all tasks under this ToR.

Beside the Construction Project Manager, Consultant's team shall have following experts at disposal: Architect, Mechanical Engineer, Environmental Expert and Administrator/Coordinator. Considering that additional experts have a lesser role with minor time engagement they will not be evaluated for purposes of shortlisting or obtaining scores in technical evaluation (if applicable). However, during Contract execution, the Consultant shall nominate the experts and obtain the Client's approval before their engagement.

In addition to the minimal required project staff defined above, the Consultant shall assess and provide other supporting and administrative staff and shall include them in Consultant's proposal and work hours estimation.

Construction Project Manager is required to be present in project implementation at least 60% of time. Presence in project implementation implies presence on construction sites, participation in meetings and remote work. Construction Project Manager is required to be present on construction sites at least two (2) times per week. Construction Project Manager is also required to participate in all the meetings during project implementation.

## **VI. INPUT DOCUMENTS AND SUPPORT TO BE PROVIDED BY THE CLIENT**

Input documents provided by the Client are Conceptual Solution with obtained special requirements (ANNEX 1), and draft ESMP Checklist for Croatian Institute for Public Health Building in Nazorova 53 (ANNEX 2). The Consultant shall return to the Client all documents if any received from the Client following the completion of the services to be performed. The Client shall be responsible for the coordination of all project activities. The Client shall appoint Project Coordinator, who will have the overall responsibility for implementation of activities. The Consultant shall report to the Project Coordinator.

## **VII. OFFICIAL LANGUAGE**

The language for communication and for project deliverables shall be Croatian.

## **VIII. LIST OF ANNEXES**

All annexes are, due to their size, attached to this ToR as separate files.

- ANNEX 1 – Conceptual solution with obtained special requirements for Croatian Institute for Public Health Building in Nazorova 53
- ANNEX 2 – Draft ESMP Checklist for Croatian Institute for Public Health Building in Nazorova 53