

**Terms of References of Consultants**  
**For The Preparation of Detailed Project Report**

**For**

**The Development of a 5-Star Airport Hotel and Other Infrastructure at Sinamangal, Kathmandu,**

**I. INTRODUCTION**

Nepal is one of the most targeted tourist destinations all over the world because of its richness in indigenous architecture character, soothing climate and cultural heritages and six world heritage sites being located here. These all factors has created a huge opportunity of MICE (Meetings, Incentives, Conference and Exhibition) tourism in Nepal. In this regard various Nepalese organizations (private and governmental) are being directly or indirectly involved in the creation of MICE tourism destinations and its promotions.

Accordingly CAAN has also planned to create such a venue in Nepal and has thought of conducting a feasibility study and conceptual design of Five Star Airport Hotel with other necessary amenities on 46, 490 square meter (91-6-0-2 Ropani) of land under its ownership at Sinamangal Kathmandu in which cabinet's Economic and Infrastructure Committee meeting has already cleared the proposal of CAAN to build these infrastructure and facilities under the BOOT (Build-Own-Operate-Transfer) modality and in this very land the feasibility study has to be done.

The venture was aimed at making commercial use of the underutilized land in such a prime location and facilitating tourism and offering accommodation to travelers passing through the Tribhuvan International Airport (TIA). Building a luxury airport hotel and MICE Infrastructure near the country's sole international airport could create more value for Nepal's tourism, and it could be a big source of revenue for CAAN. It is also expected to help promote tourism as well as serve as the transit for passengers.

The proposed hotel would be financially viable due to its ideal location and proximity to the airport there could be a number of investors. The competitive advantage of the current project would be its prime location and provision of excellent and competitive services to occupants and non-occupants.

In this context CAAN intends to hire a consultant to finalize the detail requirements of the project, prepare a conceptual design of the project and assess the feasibility of the project that includes annual lease rental payments and lease term. The DPR of the project shall be done.

**II. OBJECTIVES OF THE ASSIGNMENT**

The purpose of the Consultancy Services is to:

- a. **Define the Project and Project Rationale**
- b. **Economic Study, Market Study and Supply and Demand Analysis of Hotel, Hotel/MICE Facilities Industry Overview**
- c. **Business, Marketing and Sales Plan.**

Conceptualize, formulate and create the business plan for going forward that will guide the property from pre-opening operations into mature operation mode.





**d. Conceptual/ Design of 5-Star hotel and MICE Infrastructure**

The consultant has to prepare the conceptual design of the hotel and other related facilities for the project on the basis of which the feasibility study shall be done. The conceptual design will be prepared on the basis of the blueprint document mode available to the consultant by CAAN.

**e. Feasibility Analysis**

The Feasibility analysis of the project shall be done and the analysis will be done upon

- Financial aspects
- Economic aspects
- Social aspects
- Technical aspects
- Operation and Maintenance aspects
- Other aspects

**f. Economic Impact Analysis**

The project's economic impact analysis of the project shall be done. i.e. the B/C Ratio and IRR of the project shall be analyzes.

**g. Options for Modality of the Project**

**III. SCOPE OF SERVICES**

The scope of services shall include but not limited to the followings:

**A. FEASIBILITY ANALYSIS**

**1. Introduction**

**2. Hotel/Resort Industry Overview:** A detailed overview of the recent and anticipated trends of the hotel/resort industry.

**3. Tourism Activity Trend:** A review of tourism trends relevant to the Kathmandu region. Market niches that are profiled include wing tourism, cultural tourism, spa and wellness tourism, outdoor activity trends and related tourism niches including aboriginal tourism, eco-adventure tourism, agro-tourism and culinary tourism and ultimately MICE tourism.

**4. Area Assessment:** Evaluates key physical, locational and demographic characteristic of the subject area. An examination of access characteristics, demographic profiles of the local and regional population and specific intrinsic qualities of Kathmandu.

**5. Supply Analysis:** provides an overview of existing and proposed accommodation and convention facilities in Kathmandu, as well as nearby communities including Pokhara, Chitwan, Bhairahawa, Nepalgunj, Biratnagar and Janakpur etc.

**6. Demand Analysis:** Identifies the market opportunity for a hotel and convention facility, focusing on key demand sub-markets, and analyzing the characteristics of each market demand segment in an effort to determine future levels of room night demand. The section concludes with the recommendations regarding the appropriate size, timing, and hotel operators for the 5-Star Airport Hotel.





7. **Site Assessment:** An assessment of the site deemed by the consultant to represent the greatest potential in terms of hospitality development, providing a description of the site and analysis of its strengths, weaknesses, opportunities and threats.
8. **Recommended Hotel Development Program:** Outline the recommended development program for a hotel convention complex as per national and international standards and guidelines.
9. **Economic Analysis:** The consultant has to prepare the economic analysis of the project that includes the total possible expenses to be incurred in the project, total revenue generated from the project on time line basis. The finding of the economic analysis will be to calculate the Benefit Cost Ratio and Initial Rate of Return of the project which helps to determine the duration of lease and BOOT modality.
10. **Recommendations:** Evaluates probable strategies and methods to implement as a means of off-setting capital costs of Hotel/Convention Centre development. A recommended development program for additional uses is provided.
11. **Economic Impact Analysis:** Evaluates probable economic impacts for the proposed hotel complex with consideration for employment impacts and municipal revenue impacts, including development cost charges.
12. **Financial Summary:** The consultant is expected to calculate the Sales Revenue, Gross Profit Margin, Net Profit Margin, Internal Rate of Return, NPV and Payback period.

## B. ARCHITECTURAL PLANNING & PROGRAMMING AND ENGINEERING DESIGNS.

### Utilities & Requirements of the Project

- Star Hotel: The 5-Star Hotel mainly catering to Business Clients.
- Convention Commercial Block: Modern Office Tower complex with podium & basement parking.
- Retail: A modern Retail Outlet with optimum built up area. However, Size and other details can be confirmed after going through the ongoing market analysis and feasibility study.
- Parking Facilities: Basement, Podiums and surface. Total Parking capacity will be maximum no. of vehicle, as per site requirements.

These details require an in depth study of national and international standards and guidelines of hotel/convention facility design. As hotels of such standard need to operate in chain with international brandings for successful business the facilities we propose shall meet their standard so that they will be working with us in our project.

### Design Features

#### Architectural Design

The whole project should be planned in conformity with:





- Building Construction Standards of Municipal authorities and urban development

- National Building code
- Government of Nepal tourism norms

#### **The Structural Design Concept and Brief.**

- Average Sub-soil profile
- Design Loads (Other Than Earthquake Loads)
- Design of Concrete Elements
- Strength Requirement of Concrete
- Design of Steel Structural Elements
- Design Parameters: Materials of Construction, Reinforcement, Imposed Gravity Loads of Floors.

#### **C. BUSINESS PLAN**

- Eg. Non-availability of five star hotels creates a profitability margin window for the first time in investor. If clean and comfortable stay is provided to the customers, then with a very conservative estimate, the first year of the project's expected occupancy would be 50% room occupancy with an annual growth of at least 10% room occupancy anticipated.

- **Product sales.**

Eg. Main customers would be the seasonal tourists, the business houses and the donor community with their conferences and seminars. Other major customer include trade bodies and international adventure tourists. There will be on time and regular commission for the sales people.

- **Raw Materials**

Re. The basic requirement for running the hotel business are the amenities, water and utilities.

Eg. All the requirements are easily available at low costs. Furthermore, the raw materials required for the operations of the project are widely available in the market and there is no need to be dependent on any particular supplier or manufacture of a commodity.

- **Services Provided**

Eg. The services provided will be rooms for night stay, laundry, restaurant, halls for seminars and parties.

- **Distribution/ Marketing Channels**

Eg. Marketing and related promotional activities will require a wellthought out strategy and full advantage of international chain of hotels may be taken. Although, the promotional activities should start from the first year of the project, the main sales pitch will be taken from the second year of establishment. This may include awareness-raising among the potential internal tourists, linkage with international chain of totals, discount campaigns and provision of various added attractions to increase the (hotel's) customer value.

- **Human Resource Requirement**

The Human resource requirement directly associated with the hotel is listed below.





- Project Financials

#### **Operational data**

Eg. The capacity of the hotel is more than 150 rooms and allied services. It is expected that the room occupancy would be 50% in the first year and will increase gradually: the allied services are expected to increase Like Wise.

#### **Fixed Costs**

#### **Overhead Cost**

### **D. MISCELLANEOUS**

- Analysis of client's goals, safety, market surveys and functional needs
- Carry out a detailed inspection of the proposed site
- Development of a Preliminary design and Estimates
- Schematic Architectural and Engineering Design
- Preparation of tender and contract documents and
- Providing technical support procurement of a contractor.
- Phasing Plan: The above facilities will be constructed in phases, with convention centre, Star Hotel and Commercial Block in first phase and Retail and Budget Hotel in second phase.
- Branding of the Hotel.
- MEP Concept Centralized System
- Project Implementation Schedule
- Financial Report
- Key Financial Assumptions.
- Construction Cost Assumptions
- Project Cost
- Revenue Streams

The Following are the revenue streams for the developer

- Revenue from Hotel Rooms
- Revenue from Restaurants
- Revenue form Convention Facility
- Revenue form Conference and Board Rooms
- Revenue from Miscellaneous Sources







- Key Financial Parameters.
- Project Organogram

#### IV. TIME SCHEDULE

This assignment is expected to take 6(six) months for study and EOI document preparation and assisting the client in the procurement of works.

#### V. PERSONNEL

The Consultant shall provide a team of well-qualified and experienced professionals shall personally carry out (with any assistance of junior staff deemed appropriate) the services as described in this TOR.

The Consultant's key professional staffing schedule for the project shall be in accordance with his accepted proposal which forms the basis of the contract and the proposal shall be substantially responsive to the requirement stipulated in the request for proposals (RFP).

- |  |   |
|--|---|
| 1. Team Leader/ Civil Engineer             | 8. GIS Engineers/Survey Engineers                           |
| 2. Chief Architect                         | 9. Geo-Technical Engineers                                  |
| 3. Architects                              | 10. Management Expert (Hotel)                               |
| 4. Structural Engineers                    | 11. Landscape designers                                     |
| 5. CAD Engineers                           | 12. Procurement specialist                                  |
| 6. Chartered Accountants/Financial Analyst | 13. Interior Designers                                      |
| 7. Economist                               | 14. Utility Engineers (Mechanical and Electrical, Sanitary) |

#### VI. REPORTING REQUIREMENTS

- |                                   |  |
|-----------------------------------|--|
| i. Inception Report               | iv. Architectural and Engineering Report |
| ii. Market analysis Report        | v. Project Cost Report                   |
| iii. Financial Feasibility Report | vi. EOI and RFP Document                 |

*Note:*

- Final ToR will be provided during the RFP phase after incorporating the comments on ToR received by consultants.*
- Chief Architect will be international expert and rest are national experts.*



# Sample (Format) for Submission of EOI

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***Consultants are encouraged to provide information as per the attached sample format but not mandatory.***

## Information to be provided by Consultant in Expression of Interest

### A. Consulting Firm's Details:

#### A.1 If the Firm is participating in the sole capacity

1. Name of the Firm:

#### A.2 If the Firm is participating in the capacity of Joint Venture or association

Details of Joint Venture Partners:

S. No.	Role	Full name of the firm	Place of Registration
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1.	Lead Partner		
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2.	JV Partner		
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Details of association other than Joint Venture:

S. No.	Role	Full name of the firm	Place of Registration
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1.	Sub Consultant		
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2.	Sub Consultant		
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### B. Eligibility Requirement (attach copy)

i Valid Corporate Registration Certificate

ii Tax clearance certificate or Tax submission receipt (for fiscal year 2071/72 BS or 2014/15 AD)

iii Self-Declaration as shown in **FORM B-1**

### C. Technical Competence

Lead Firm's experience vis à vis the assignment's TOR

Number of similar projects undertaken where firm as Lead Partner

Number of similar projects undertaken where firm as JV Partner or Sub-consultant

JV partner's or sub-consultant's experience vis à vis the assignment's ToR

Description of the consulting service for Feasibility Study/ Detail Engineering Design/ Procurement/ Construction Supervision/ Environmental Study performed during last ten (10) years which best illustrates qualifications shall be presented in **FORM C-1**.



Relevant Experience of the firms in Planning, Design and feasibility study of 5 Star Hotels and Preparation of DPR for star hotels in the last ten (10) years shall be presented in the prescribed **FORM C-2**. The Consulting Firms are encouraged to provide evidence/proof in the form of experience certificates/completion certificates showing the dates of completion of the Assignments and value (cost) of the consulting assignments.

In case of JV the Consultant shall mention its role whether in the form of lead partner or associate partner and brief description of project.

#### **D. Management Competence**

Quality Control and Assurance

Project Management Co-ordination

Approach and Methodology

Comments on TOR

Contribution of JV partners or sub-consultants to management

List availability of Key professional **in house staff** associated with the organization more than one year.

**[FORM D-1]**

#### **E. Financial Competence**

The consultant shall furnish the details of financial status in the form attached in **[FORM E-1]**.

#### **F. Geographical Competence**

Experience of the firm in Feasibility Study / Detail Design / Construction Supervision/ Environmental study completed within last ten (10) years in different Country/Region.

#### **G. Adherence to the code of ethics and Government's anticorruption policy**

The Consultant shall submit declaration to Adherence to the code of ethics and Government's anticorruption policy.





## FORM B-1: Self Declaration

Date: .....

To,

Project Director

Air Transport Capacity Enhancement Project

Civil Aviation Authority of Nepal

Sinamangal, Kathmandu

Dear Sir,

We,..... (name of all Consulting Firm) declare that we are legally eligible to participate in the procurement process of consulting services for The Preparation of Detailed Project Report For The Development of a 5-Star Airport Hotel and Other Infrastructure at Sinamangal, Kathmandu. We also declare that we do not have any conflict of interest in the said assignment.

We hereby also declare that we have not received any punishment while doing consulting business in the last ten years.

**Note:** (If any member of the consulting Firm is not eligible to participate in procurement process or has conflict of interest in the said assignment or has received any punishment while doing consulting business in the last ten years, the same must be clearly mentioned in this form. Any history of litigation during the last five years shall also be declared here along with the relevant verdict.)

Signature:

Name:

Designation:

For and on behalf of:

  

**FORM C-1: Major work experience for Feasibility Study / Detail Design / Construction Supervision/ Environmental Study during last ten (10) years which best illustrates qualifications**

**Project Name:**

**Name of client:**

**Country /Location:**

Professional Staff Provided by your Company:

No. Staff:

No. of Man-months:

Start Date: (Month/Year)

Name of Senior Staff (Project Director/Coordinator, Team

Leader) involved and functions performed:

Completion Date: (Month/Year) Value of Consulting Service Contract

Detailed Narrative Description Project

Detailed Description of actual Services provided by your company:

**Note:** Use of separate sheet for each assignment is encouraged.



**FORM C-2: Relevant work experience (planning, design and feasibility study of 5 star hotel and Preparation of DPR for 5 star hotels) of firms**

**Name of the Project:**

**Location/ Country**

**Description of work**

**Client**

**Value of Consulting Service**

**Contract**

**Year of start**

**Year of completion**

**Note:** Use of separate sheet for each assignment is encouraged.





**FORM D-1: List of available key professional in house staff having experience in related works (Only those associated with the firm for more than one year)**

**S.N Name of key professional Field of Expertise Year of Association with the Firm**

**1**

**2**



# FORM E-1: Financial Competence

## Financial status

### Description Amount

Total assets

Total liabilities

Current liabilities

Current assets

Current credit resources

### Fiscal Year Turnover

2067-68 BS 2010-11 AD

2068-69 BS 2011-12 AD

2069-70 BS 2012-13 AD

2070-71 BS 2013-14 AD

2071-72 BS 2014-15 AD

Average Annual turnover

### Note:

1. Information for each member, in case of joint venture, is encouraged.
2. Average annual turnover of best three of last five years will be considered for evaluation. Supporting documents (Audited Report) are encouraged to be submitted.

