

THE

SECOND ANNUAL REPORT

OF

THE CONTRACTOR-GENERAL

1st OCT 1987 TO 31st DEC 1988.

CONFIDENTIAL

10-2-01


29th May,

89

Clerk to the Houses of Parliament
Gordon House

Forwarded herewith are 85 copies of my second Annual Report for the period 1st October, 1987, to 31st December, 1988, sent in accordance with Section 28 of the Contractor-General Act which requires that the report be laid on the Table of the House as soon as possible.

I do not accept responsibility for sending such a large number of copies but have done so now to honour an undertaking given on my behalf.



Ashton G. Wright
Contractor-General

Encls.

REPORT OF THE CONTRACTOR-GENERAL
FOR THE PERIOD 1ST OCTOBER, 1987, TO 31ST DECEMBER, 1988

(In accordance with Section 28
of the Contractor-General Act)

I. INTRODUCTION

My first Annual Report for the period 1st October, 1986, to the 30th September, 1987, was dated and sent to the Speaker and President of the Senate on December 17, 1987.

A Special Report regarding the non-approval by the Commission of Parliament of the remuneration for the staff of the office was submitted on March 21, 1988.

Despite the provisions of Section 28 of the Contractor-General Act requiring that the reports from the Contractor-General should be laid on the Table of Parliament as soon as possible, these reports were not so laid until the 14th December, 1988 - and then only after a Member of Parliament had given notice of his intention to ask appropriate questions in the House.

This report covers the period 1st October, 1987, to 31st December, 1988.

II. STAFFING

The issue which has remained most intransigent in respect of the operations of my office is still the non-approval by the Commission of Parliament of the remuneration and terms and conditions of service relating to the posts provided for this office.

The situation as to staffing up to the 21st March, 1988, was fully set out in my Special Report to Parliament bearing that date. That report highlighted the divergence of views between the Commission of Parliament (which maintained that it had the legal right to approve by name the appointment of and remuneration etc. of every person to be employed in the Contractor-General's Office) and the Contractor-General (who maintains that the law clearly authorises the Commission of Parliament only to approve of the remuneration and the terms and conditions of service for the posts, whereas it is the sole prerogative of the Contractor-General to employ such officers and agents as he considers necessary to carry out his functions under the Act).

Subsequent to my report on staff indicated above, that is, at a Workshop held by me on the 16th June, 1988, the Hon. Bruce Golding, then Minister of Construction, made a statement which is considered worthy of recording here -

"The Contractor-General is free to employ whoever he wants. He is not subject to any approval of that selection. That is a matter that lies solely within his discretion. "

As a result of the continued disagreement the former Prime Minister invited the parties concerned to a discussion at Jamaica House on the 9th August, 1988. This discussion failed to resolve the difference of opinions between the Commission of Parliament and me as stated above.

The Prime Minister then asked the Attorney General for his legal advice in writing in the light of the conflicting views expressed. I have not to date been informed of the advice of the Hon. Attorney General.

The role of the Ministry of the Public Service

Reference must be made as to the role of the Ministry of the Public Service in the matter of the staff. This Ministry, as far back as 1983 recommended and supported the staff structure, remuneration and other terms of employment for the Contractor-General's Office. This recommendation and support was conveyed to me on the setting up of this office in 1986. The Ministry of the Public Service also informed me of subsequent revisions of salaries and acted as the liaison body between the Contractor-General's office and the Commission of Parliament. The Ministry of the Public Service conveyed to the Commission of Parliament on the 17th November, 1987, a draft "Service Agreement for the appointment of officers/employees to the Contractor-General for Jamaica" prepared in cooperation with my office.

The Commission of Parliament acknowledged receiving the representations from the Ministry of the Public Service and indicated at each subsequent meeting with me that it needed further advice from the Ministry. To date I have not been informed of the decision of the Commission of Parliament in this matter.

Most alarming, however, is that on the 29th July, 1988, the Permanent Secretary in the Ministry of the Public Service sent to me a letter including what were referred to as "proposals offered" regarding the terms and conditions of service which should apply to the staff of the Contractor-General's Office. Most of these "proposals" reflected conditions of service far below those prevailing in any other government organization and far below those included in the draft agreement submitted to the Commission of Parliament by that very Ministry.

The volte-face of the Ministry of the Public Service in proposing the reduced terms and conditions of service could very well be interpreted as reflecting what the Ministry considered to be the thinking of the then Commission of Parliament.

I expect that the new Commission of Parliament will rectify very early the present most unsatisfactory situation.

III. MONITORING AND INVESTIGATION OF CONTRACTS

The work of monitoring/investigating contracts during the year under review was in many instances constrained by somewhat cold response, delaying tactics and unwillingness by those who should cooperate with the Contractor-General's representatives in their endeavours to undertake the requirements of the Contractor-General Act. Notwithstanding these difficulties, the charts at Appendix I are attached to reflect in a concise form the more important aspects of the monitoring/investigating exercise undertaken in respect of the more important contracts which came under purview.

It is considered that this Appendix will assist Members of Parliament in keeping abreast of the contracts being undertaken by public bodies.

The Appendix shows that many public bodies have in some way endeavoured to use the generally accepted tender procedures. There were, however, a number of discrepancies in their methodology. In some cases there were notorious breaches of the accepted procedures which could have resulted in an aggrieved contractor taking legal action against the public body concerned. I found no evidence of any such legal action.

The indications are that detailed investigations and reporting as required by Sections 15 and 20 of the Contractor-General Act will be necessary in respect of the following :-

1. Bushy Park Housing Scheme
2. East Prospect Housing Scheme
3. Steer Town Housing Scheme
4. Isaac Barrant Hospital
5. H.E.A.R.T. Trust - Ebony Park Academy
6. Petrojam Ja. Ltd. - Belize Ethanol Projects.

IV. THE PRACTICE OF NEGOTIATED CONTRACTS VIS-A-VIS TENDER PROCEDURE

In certain public bodies, particularly in the Ministry of Construction (Housing), negotiated contracts have become the norm rather than the exception. In fact every contract awarded by the Ministry of Construction (Housing) and monitored by my office had been negotiated. Internationally accepted procedures for tendering lend themselves to propriety, regularity and impartiality in the operation of public body contracts.

I can find no official directives to effect that all government contracts should be awarded only by tendering. International practice, local custom, commonsense and economics all point in the direction of tendering as against negotiation.

The spirit of the Ministry of Finance Circular 43 of 1963 (which directs the operations of the Government Contracts Committee with regard to government contracts) points to the award of government contracts by the tender process. The circular is, however, silent on the question of negotiation of contracts.

The records show that at present more government contracts are awarded by the tender process than by negotiation, but the latter practice has been spreading through all the public bodies without any control and to the detriment of propriety, impartiality and economic considerations. Until such time, therefore, as a definite policy or a directive from Government enforces the tender procedure public bodies will continue to negotiate contracts without fear of being in contravention of any stated policy or being penalised or embarrassed for such action.

Negotiation of government contracts should be undertaken only in exceptional circumstances, e.g. in cases of natural disasters when it is essential to restore public utilities and essential services as a matter of vital urgency. Clearly, to delay restoration at such times in order to satisfy the tendering process would be tantamount to standing on ceremony when reason and commonsense dictated otherwise.

The question at once arises in any negotiation of a contract for construction of normal buildings or civil engineering works where no special skills or equipment are required: How does the employer know with whom to negotiate when there are a number of equally competent contractors available to do the work? The fact that one contractor is chosen and awarded a contract could usually be interpreted as partisan.

To summarize - in respect of public body contracts the practice of tendering should be the norm, negotiation being the exception and used only when circumstances justify its use.

In the light of the foregoing points and of the enormous changes in the quantum and sources of contract funding and operations in the last few years, it is my intention to make recommendations to Government to review and amend some of the procedures utilized in awarding contracts and particularly those based on Ministry of Finance Circular No. 43 of 1963, now over a quarter century old. These recommendations will of course cover the operations of the Government Contracts Committee which is a "public body" as defined in Section 2 of the Contractor-General Act and is therefore subject to investigation and report thereon by the Contractor-General.

V. WORKSHOP ON THE CONTRACTOR-GENERAL ACT AND THE CONTRACTOR-GENERAL'S OFFICE

Investigations revealed that no other country of which we are aware has a law similar to Jamaica's Contractor-General Act. For the following reasons I considered it beneficial to conduct a Workshop -

- (a) to enlighten and share views on the Act and the work of the Contractor-General with as many as possible of the persons and/or organizations participating in "public body" contracts and licences; and
- (b) to obtain views as to the necessity for and (if agreed) amendments to be made to the existing system and to the Contractor-General Act.

The Workshop which took place on the 16th of June, 1988, was attended by over 90 persons including masterbuilders, engineers, quantity surveyors, architects, heads or senior operatives of public bodies as well as representatives of foreign lending agencies and the media.

The Workshop was opened by the then Minister of Construction and produced excellent presentations and lively discussions on the subjects set down on the agenda.

The following reflects some of the thinking which flowed from the workshop discussions :-

- (a) There were inordinate delays in finalising the award of contracts caused not only by a build-up in the office of the Government Contracts Committee but also the necessity to obtain the approval of the Minister or the Cabinet as the individual contract required. A system should be devised to remedy this.
- (b) The preparation and approval of the list of contractors should be a completely non-partisan exercise in order to prevent dislocation and minimise partiality, impropriety and irregularity.

- (c) While it was recognized that the political arm of Government had to exercise its executive function in the approval of many contracts the recommendatory body(bodies) in this connection should be as apolitical or bipartisan as the circumstances make possible.
- (d) The Contractor-General should be provided with the necessary staff to perform the duties set out in the Act.
- (d) The Contractor-General Act should be reviewed in the light of experience and amendments made as considered necessary.

VI. CONTRACT TO PROCURE CAFETERIA EQUIPMENT - BANK OF JAMAICA - FORMAL ENQUIRY

During September 1987 the Contractor-General received a formal complaint from Appliance Traders Ltd. (a company offering to supply cafeteria and other equipment) to the effect that the Bank of Jamaica had acted irregularly in awarding a contract to A.C. Marzouca Ltd. for the supply of the said equipment. The main component of the complaint was as follows :-

" We are concerned that this matter appears to have been dealt with in an irregular manner. It does not appear to us that it has been dealt with in an impartial manner nor has an award been made on its merit. In the circumstances we would ask that you investigate the award of this contract. "

Preliminary enquiries from the Bank of Jamaica failed to provide the necessary documentary information and it became necessary for me to undertake a formal investigation under Section 15 of the Act. This was done between the 12th January and 24th March, 1988.

Evidence was given by appropriate witnesses and submissions were made by Counsel for Appliance Traders Ltd., A.C. Marzouca Ltd. and the Bank of Jamaica. These were recorded and analysed.

In accordance with Section 20 of the Contractor-General Act a report and recommendations were forwarded to the Governor of the Bank of Jamaica, to the Minister of Finance, the Minister having responsibility for the operations of the Bank of Jamaica, as well as to the contending parties.

VII. MONITORING THE IMPLEMENTATION OF THE CONTRACT FOR THE CENTRAL GRADING & FINISHING PLANT FOR THE COFFEE INDUSTRY BOARD AT TARENTUM

Progress of Works

After the award of the contract in this connection the progress of the work was monitored by my office in terms of Section 4 of the Act.

The monitoring revealed that the work was not progressing satisfactorily and that my worst fears as expressed in my Special Report to Parliament were likely to be realised.

In the light of the recent release indicating that the award to Views Ltd. has been cancelled, I consider it imprudent to give any further details on the matter, especially as the issue is one which now appears to be for ministerial report to Parliament if considered necessary.

VIII. PRESCRIBED LICENCES

The requirement as regards licences are set out in Section 4(1)(b) of the Contractor-General Act, viz:

"to monitor the grant, issue, suspension or revocation of any prescribed licence, with a view to ensuring that the circumstances of such grant, issue, suspension or revocation do not involve impropriety or irregularity and, where appropriate, to examine whether such licence is used in accordance with the terms and conditions thereof."

There is a further requirement under Section 15(1)(e) and (f) to investigate the following matters :-


- "(e) the circumstances of the grant, issue, use, suspension or revocation of any prescribed licence;
- (f) the practice and procedures relating to the grant, issue, suspension or revocation of prescribed licences. "

Due, however, to the inadequate staff it has not been possible to devote the required attention to this aspect of the law until within the last few months when a member of staff could have been specially allocated to this area of work.

The effort was well rewarded and fourteen (14) public bodies and government agencies have been identified and monitored. From these preliminary investigations it was possible to prepare the attached appendix (Appendix II) the contents of which are self-explanatory. It is expected that the work of monitoring and/or investigating of licences will increase with the expected improvement of the staff requirements of the office.

IX. CONCLUSION

Once again I must pay special tribute to my staff. They have stood loyally by me and our country during these 2 years in the trinity of purpose, obligation and adventure despite experiencing no change in their insecure tenure of employment. I found their hard work towards the common good the most pervasive and enduring characteristic of a loyal band of Jamaicans.


ASHTON G. WRIGHT
CONTRACTOR-GENERAL

19TH MAY, 1989

STAGE CARRIAGE

Essentially vehicles plying a certain route, stopping to pick up and set down passengers along the line of the said route - charging separate fares depending on distance from the point of pick up to the point set down for any passenger. E.g. Buses.

EXPRESS CARRIAGE

A vehicle which is committed to transport passengers from one or more points specified in advance to one or more common destinations so specified and not stopping "en route" to pick up or set down any passenger.

CONTRACT CARRIAGE

A vehicle under contract expressed or implied to one or more persons for the use of the vehicle as a whole for a fixed or agreed rate.

HACKNEY CARRIAGE

Essentially taxis, i.e., vehicles carrying passengers for reward, plying on any thoroughfare frequented by the public.

PUBLIC CARRIERS

Vehicles authorised for the sole purpose of the carriage of goods for someone whose business is the carrier of goods, but not to be used in connection with any other trade or business carried on by the said owner of the vehicle.

PRIVATE CARRIER

A vehicle authorised for the carriage of goods for or in connection with any trade or business carried on by the owner of the vehicle, i.e., in a private capacity and not for hire or reward.

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

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(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan.87 - Dec. 87	No. Processed Jan.87 - Dec. 87		
Trade Board Limited	Licence to export goods from the country in accordance with Government Policy Guidelines	4,552	4,552	<ol style="list-style-type: none"> 1. Applicant completes prescribed forms in duplicate and submits them to the Trade Board. No fees are payable. 2. Applicants whose business is the export of goods must be registered with the Jamaica National Export Corporation. The J.N.E.C. list is checked to ensure their registration. 3. A licence is issued only to listed exporters by the Assistant Trade Administrator. <p>All licences are approved with conditions.</p>	<ol style="list-style-type: none"> 1. Applications for export are not required to go before a committee as is required 2. A register from the Jamaica National Export Corporation is kept by the Trade Administrator.

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
Post & Telegraph Department -Ministry of Public Utilities-	Private Radio Station	174	96	1) All applicants complete a prescribed application form.	While the issue of the many categories of radio licences have no doubt proved useful in the field of communication, e.g., the ship to shore and in the area of aeronautics the Citizens Band Radio Station Licence and the Amateur Radio Station Licence are entertaining hobbies. Their monitoring is perhaps almost an impossible task and there is an inherent security problem in the hands of unscrupulous operators.
	Aero-nautical Mobile Special Licence	1	1	2) All applications must be accompanied by a prescribed fee.	
	Dealers Licence	-	-	3) Forms differ in accordance with licence sought.	
	Radio Telegraph Operator Licence	33	32	4) All licences issued are signed by the Post Master General.	
	Radio & Telegraph Ship Station Licence	4	4	5) Monitoring is done by the Department to determine misuse or abuse of privilege. In case of revocation the police is advised.	
	Private Coast Station Licence	-	-	6) Private Radio Stations and Citizen Band are given call signs.	
	Citizens Band Radio Station Licence	351	273	7) Special licences are signed by the Minister. 8) Application forms are designed as set out in the Radio & Telegraph Control Regulations.	

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

(PRESCRIBED LICENCES)

2

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
POST & TELEGRAPH DEPARTMENT -	RADIO LICENCES	CONTINUED			
	Amateur Radio Station Licence	35	24		
	Technician Licence	18	14		
	Aero-nautical Ground Station Special Licence	-	-		

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
Ministry of Justice	Minister's Marriage Licence	2,849	2,849	<ol style="list-style-type: none"> 1. Applicant makes a declaration on a prescribed form supplied by the Ministry of Justice and signed in the presence of a Justice of the Peace. 2. The declaration is taken to the Commissioner of Stamp & Estate Duties and a prescribed fee of \$25.00 is paid to have the document stamped. 3. The stamped document is then returned to the Ministry of Justice where an administrative officer prepares and issue the licence on behalf of the Minister of Justice. 	<p>The Minister's licence becomes void if the marriage does not take place within three months.</p> <p>"No person shall proceed to solemnise the marriage until a new notice has been given and a new licence has been granted".</p>

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
Ministry of Justice	Special Hotel Licence i.e., a licence to authorise the sale and consumption of alcoholic liquors on the premises.	11	6	<ol style="list-style-type: none"> 1. The applicant applies to the Chairman of the Licensing Authority for the parish on a prescribed form for a Special Hotel Licence. 2. The Chairman of the Licensing Authority forwards the application to the Permanent Secretary, Ministry of Justice, who refers it to the Commissioner of Police for his comments. 3. The recommendation of the Commissioner is then forwarded to the Permanent Secretary. 4. The Permanent Secretary refers it to the Collector General for the collection of a prescribed fee and his signature. 5. The application having been signed by the Collector General is then returned to the Permanent Secretary who advises the Chairman of the Licensing Authority to grant the Licence. 	<ol style="list-style-type: none"> 1. The grant of a Special Hotel Licence is covered under the Spirit Licence Act 1928 Section 31. 2. Special Hotel Licence holds good until the 31st of March each year. 3. A Special Hotel Licence shall be in such form as the Licensing Authority may prescribe.

CONTRACTOR GENERAL'S OFFICE
 REVIEW OF WORK DONE TO 31.12.88

INFORMATION REQUESTED TO 31.12.88 HAVE
 NOT YET BECOME AVAILABLE.

(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
Veterinary Division -Ministry of Agri- culture -	Permits to import animals, animal carcasses and vaccines	1,081	1,081	1) Applicant writes a letter to the Director of Veterinary Service . stating what he wishes to import. 2) The Veterinary Division vets the application to determine if the importation is in accordance with Government policy. 3) Permit is then prepared and issued in accordance with The Animal (Diseases & Importation) Law 1943	No formal follow up to ensure that the licence granted is used for the purpose intended.

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88
 (CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Jamaica Telephone Company Limited	<p>Temporary relocation of Commercial Office.</p> <p>Refurbishing works and installation of partitions.</p> <p>Contractor:- Office Services Limited</p>	\$103,180.30	Project completed.	<p>Reviewed -</p> <p>a) Selection of Contractors:</p> <p>b) Tender Document:</p> <p>c) Tender Opening:</p> <p>d) Evaluation & Award of Contract</p>	<p>The importance of this exercise in selecting contractors is given scant attention by Jamaica Telephone Company and follows no regular pattern. Although the company maintains a list of contractors, selection is not necessarily from the list, but by recommendation of members of the technical staff. The approach is informal and without the seriousness required of such an exercise.</p> <p>Not altogether comprehensive, but adequate for purposes intended. Conditions, not forming a part of the contractual arrangements should be deleted so as not to confuse the prerogative of the parties in a contract.</p> <p>Tenders were opened several days after they were received. This is contrary to the accepted rule. The fact that it was a private opening makes it all the more unacceptable in contractual circles.</p> <p>Contractors nurse suspicions that opportunity exists for tampering with the tenders to the benefit of a favourite contractor.</p> <p>Procedures adopted were generally in order and acceptable.</p>

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88
 (CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Urban Development Corporation (U.D.C.)	<p>Construction of two (2) Vocational Training Schools at Lewisville in St Elizabeth and at Cascade in Hanover.</p> <p>Contractors: Both contracts originally awarded to Formguard Construction Company Limited.</p>	<p>J\$3.92 million for Lewisville and J\$3.90 for Cascade.</p> <p>Both contracts partially financed by Inter-American Development Bank (I.A.D.B.)</p>	<p>Both contracts terminated when only 50% completed.</p> <p>Contract for Lewisville re-awarded to Garan-Tee Construction Company Limited in the amount of J\$4.679 million.</p> <p>Contract for Cascade re-awarded to Armour Metal Fencing & Construction Company Limited in the amount of J\$4.567 million.</p>	<p>Reviewed -</p> <p>a) Selection of Contractors:</p> <p>b) Tender Documents:</p>	<p>The selection of contractors from a list, even a prequalified list, has certain risks. U.D.C. selects contractors in this way. The inherent risk is that if the list is not updated at least every six (6) months, the chances are, that the status of a firm can change substantially over this period.</p> <p>The reasons given for termination is inability to finance the projects. This had become a strain on the contractor's finances especially as he was awarded two (2) contracts for similar schools in the amounts of \$3.39 million and \$3.9 million. The consultant's lacked judgement in his recommendation to award both contracts to the same contractor without checking his financial resources. The U.D.C. also erred in accepting the recommendation without a single question. The consultant in his recommendation praised the contractor's work on previous projects but failed to check his financial resources to perform above a certain figure.</p> <p>The documents had all the ingredients to be used as legal instruments for signing the contracts.</p>

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

2

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
URBAN DEVELOPMENT CORPORATION	- CONSTRUCTION OF VOCATIONAL TRAINING SCHOOLS AT LEWISVILLE, ST ELIZABETH & CASCADE, HANOVER		CONTINUED Lewisville - Progress to date since contract was re-awarded 95% completed. Cascade - Progress to date since contracted was re-awarded 85% completed.	c) Tender Opening Evaluation & Award of Contracts: Progress Reports:	Tenders were opened publicly in accordance with I.A.D.B.'s instructions and evaluated on the basis of the lowest responsive responsible tenderers, except as already mentioned a check on the "responsible" part of of this criteria was lacking. It is one of the hazards of the building and civil engineering industry to terminate a contract and re-award another contract to another contractor to complete the project. Apart from the fact that the employer is faced with paying twice for certain items such as preliminaries, guarantees, insurance, etc., contractors take advantage of the psychological aspect of the need of the client to have the project completed and put to use. The selection of contractors for tendering is therefore a critical function.

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

(CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Rural Electrification Programme Limited	Procurement contract for supplies of over- head distribution line material and equipment	\$2.59 million	Satisfactorily completed.	<p>Reviewed -</p> <p>a) Selection of Suppliers:</p> <p>b) Tender Document:</p> <p>c) Opening of Tenders:</p> <p>d) Evaluation of Reports On Tenders & Award of Contracts</p>	<p>Rural Electrification does not normally pre-qualify suppliers of electrical distribution line materials and equipment. Instead, a list of known reputable suppliers is developed over a time. Procurement is therefore obtained by selective tender.</p> <p>The standard of this document is well below what is the norm in tendering, especially for procurements of materials abroad. It is surprising that important matters such as the conditions of the contract are not adequate to ascertain the rights and obligations of the parties to the contract.</p> <p>A more professional approach for future tenders have been recommended to Rural Electrification.</p> <p>Tenders were publicly opened and recorded. A staff member of the Contractor-General's Office attended as observer.</p> <p>The report on tenders is much too brief. An objective assessment must show good reason for recommending an award. It is obvious that the criteria for evaluation and award leaves much to be desired.</p> <p>The award of contracts is an "in house" activity which is against the procedure set up by Government to the effect that all contracts of this size should be submitted to the Government Contracts Committee for review and recommendation for an award to the Cabinet.</p>

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

INFORMATION REQUESTED TO 31.12.88 HAVE
NOT YET BECOME AVAILABLE.

(PRESCRIBED LICENCES)

APPENDIX II

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	F I N D I N G S (Remarks)
		No. Received Jan.87 - Dec. 87	No. Processed Jan.87 - Dec.87		
Veterinary Public Health Division (Ministry of Health)	Health Certificates for exporting frozen poultry products to CARICOM Countries	20	20	<ol style="list-style-type: none"> 1) The factory must be registered under the Factories Act - 1943. 2) It must meet the requirements of the Bureau of Standards. 3) The exporter contacts the Ministry of Health (Veterinary Division) and request an inspection of the meats. 4) The Ministry of Health contacts the Senior Medical Officer of Health who orders an ante mortem and post mortem inspection to be done. 5) The Veterinary Officer then prepares and issues a certificate if the cargo is suitable. <p>No formal application form is issued by the Veterinary Division and no fees are required.</p>	<p>No formal follow-up done to ensure that the certificate issued is used for the purpose intended.</p> <p>A new certificate is issued for each consignment.</p>

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
Transport Authority Ministry of Public Utilities & Transport (M.P.U.T)	Stage Carriage	3,218	3,166	For all types of licences applicants are required to:-	<p>It is to be noted that the figures given under No. Received and Processed are for a 21 month period. They tell their own story of the volume of licences handled by the Transport Authority.</p> <p>The island is at present divided into five (5) regions. Within each region there are a number of "Package Holders". The term refers mainly to operators of the public transport system - a certain number of routes are "packaged" for each operator which is a sub-franchise of J.O.S. It is recommended that package holders:-</p> <ul style="list-style-type: none"> a) display timetables at points of arrival and departure; b) put in place a passenger ticket system which should be endorsed by the Traffic Authority and made compulsory; c) ensure that all drivers and conductors wear distinctive uniforms on duty; d) ensure that fare tables be displayed to the public; e) put in place the mechanism whereby the disabled can be accommodated at points of entry and exit.
	Contract Carriage	2,482	2,354	a) complete a prescribed form as required under the Road Traffic Act Chapter 346;	
	Hackney Carriage	4,812	4,136	b) Pay prescribed fees;	
	Public Carriers	7,195	7,195	c) Produce Registration Booklet, Certificate of Fitness, National Insurance Number, Income Tax Certificate and Police Record;	
	Private Carriers	7,196	7,196	d) Submit a timetable in the case of applications for express and stage carriage licences.	
	Express Carriage	NIL	NIL	All applications are presented to a "Board" for approval except those for public and private carriers which are granted on request.	
	Note: Definitions of each type of licence given on attached appendix.				

CONTRACTOR GENERAL'S OFFICE
REVIEW OF WORK DONE TO 31.12.88

(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec.87	No. Processed Jan 87 - Dec.87		
Port Authority of Jamaica (Marine Division) Ministry of Public Utilities & Transport	Boat Licences	114	86	<p>All applicants are required to complete:-</p> <p>a) A prescribed application form and</p> <p>b) Pay the prescribed fees.</p> <p>The application is then submitted to the Secretary of the Marine Board and is then referred to the Inspector of Harbours and Senior Examiner for further action.</p> <p>Licences are required for new boats to be registered in the name of the owner(s). A copy of the licence is sent to the Senior Inspector of Police. In addition, a sea-going certificate is required to ensure its suitability for operation against sea swells and wave forces. Both certificates are issued by the Marine Board.</p> <p>A Coxwain is required to pass a practical examination in the handling of boats before he is granted a certificate.</p> <p>All such certificates are signed by the Secretary of the Marine Board.</p> <p>Masters/Mates/Engineers are required to complete a course at the Jamaica Maritime Training Institute and on successful completion a certificate is granted, signed by the Minister.</p>	<p>These procedures ensure, as far as possible, that the safety of passengers and/or goods being transported across the seas are in capable hands.</p> <p>The number of applications processed to September 1988 shows a discrepancy in all categories of licences applied for. We are informed that these discrepancies are due to failure to reach the required standard.</p>
	Sea-Going Certificates	16	14		
	Masters, Mates, Engineers Certifi- cates	23	15		
	Coxwain's Certifi- cate	175	148		

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REVIEW OF WORK DONE TO 31.12.88

INFORMATION REQUESTED TO 31.12.88
 HAVE NOT YET BECOME AVAILABLE.

(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
Island Traffic Authority -Ministry of Construction (Works)-	Certificate of Competence	16,728 (total for island)	16,728	1) Applicant must attain a minimum age of seventeen (17) years; 2) Must be able to read and write English; 3) Applicant must apply to the Licence Authority on a prescribed form as given in the Road Traffic Act; 4) Must pay a prescribed fee to the Collector of Taxes for the Parish; 5) He/she must be examined by an officer of the Traffic Authority; 6) If successful, a Certificate of Competence is issued signed by the Traffic Authority; 7) He/she takes the Certificate of Competence to the Collector of Taxes, pays a prescribed fee and a licence is issued; 8) Photograph of applicant must be attached to the application form.	The follow up to ensure that the licence issued is being used for the purpose intended is carried out by the Police Traffic Department, while doing regular road checks. Suspension and revocation is handled by the Courts.

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(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
Civil Aviation Department -Ministry of Public Utilities & Transport-	Student Pilot	50	50	a) Applicant must complete prescribed application form;	This report covers a period of twenty-one (21) months.
	Private Pilot	29	29	b) Prescribed fees are submitted with application to the Director of Civil Aviation;	Objections may be lodged within a limited period of time.
	Commercial Pilot	21	21		Any objection must be in writing.
	Air Transport Pilot	7	7	c) Application forms and fees differ in relation to licence required;	This is followed by an hearing by the Air Transport Licensing Board to determine the legality of a refusal or grant.
	Aircraft Maintenance	19	19	d) Applicants must complete and pass a prescribed test (written and practical) under competent supervision;	The issue of a licence under the Civil Aviation Act and Regulations have been in accordance with the procedures.
	Flight Engineers	17	17	e) All invigilators must be professionals in the particular field;	Monitored enquiry by Trans-Jam Airlines in respect of objection to grant licence to Universal Travel & Tours. Objection over-ruled and licence granted.
	Aerodromes	1	1	f) Professional licence granted on satisfactory completion of test.	Renewals of licence may be done at times specified by the Civil Aviation Department.
	Air Worthiness	NIL	NIL		

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(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec.87	No. Processed Jan 87 - Dec.87		
Mines & Quarries Division -Ministry of Mining, Energy & Tourism-	Quarry Licences	34	34	The applicant completes:- 1) A prescribed application form and submits this with a prescribed fee. 2) The application form and fee differ in relation to the licence required. 3) All applicants must prove his financial viability to the Commissioner. 4) In the area of export permits, a copy of all applications are sent to the Narcotics Division. 5) All licences except those for prospecting are signed by the Commissioner of Prospecting Licence and signed by the Minister. 6) The licence required for quarrying is however approved by a Board - (The Quarries Advisory Committee).	This report covers a period of eighteen (18) months. Refusal to grant a licence under the Quarries Act 1983, is sometimes involved. The aggrieved applicant has the right of appeal to the Minister in writing, which is followed by an hearing and the applicant would be given the opportunity to show cause why his application should not be refused. Papers for the following were examined:- a) Quarries.....3 b) Export Permit.....1 c) Mining Lease.....1 d) Exclusive Prospecting Licence.....1 e) Special Exclusive Prospecting Licence.1 f) Prospecting Rights.....4 All applications received and approved were in accordance with the standard procedure.
	Export Permits	186	186		
	Mining Lease	5	5		
	Prospecting Licences	12	12		
	Prospecting Rights	2	2		

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(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
Jamaica Tourist Board -Ministry of Mining, Energy & Tourism-	Tourist accommodation - hotels including non-hotel accommodation	79	15	<p>The following procedure applies in all cases except that the application forms differ in detail:-</p> <p>a) The applicant writes to the Tourist Board setting out his/her intentions;</p> <p>b) An appropriate application form is sent to the applicant for completion</p> <p>c) The Tourist Board inspects or examines the practicality of the venture and refers the papers to the Local Licensing Committee - a body of local community leaders which includes the police;</p> <p>d) A licence is granted by the Tourist Board only after all conditions are satisfied at the local level and the payment of a fee.</p> <p>In the particular case of a restaurant, a food handling permit and a health certificate are necessary requirements.</p>	<p>The Tourist Board, as would be expected, is concerned with the issue of licences for the categories listed under "Type of Licence" in the resort areas only, i.e., Negril, Montego Bay, Ocho Rios and Port Antonio.</p> <p>There is no indication that Kingston is regarded as a tourist resort, hence licences for categories such as hotel accommodation, vendors, restaurants, non-hotel accommodation, car rental companies, are issued by other Government bodies.</p> <p>All categories listed except vendors, are required to carry public liability insurance and all vehicles for hire by tourist or for their transport are required to have a Jamaica Tourist Board emblem displayed in a prominent position.</p>
	Attraction: Tours rafting, picnics and watersports	23	8		
	Car Rental Operator	13	6		
	Restaurants	10	1		
	Vendors	17	5		

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(PRESCRIBED LICENCES)

PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - 8	No. Processed Jan 87 - 8		
MINISTRY OF LABOUR					
a) Factories Division	Certificate of Registration	18	18	<ol style="list-style-type: none"> 1) A prescribed application form is completed and submitted with three (3) sets of drawings of the factory building showing site, floor lay-out etc. 2) Within thirty (30) days of submission the applicant is notified of the result. 3) If approved, plans are stamped and signed. 4) After construction, the applicant makes application for registration and pays a prescribed fee. 5) Certificate of Registration is then issued. 	<p>If there is a refusal and the applicant is aggrieved, he may appeal to the Factories Appeal Board within fourteen (14) days.</p> <p>All objections must be lodged in writing. An hearing follows the objection.</p> <p>The issue of Certificate of Registration for factories under the Factories Act 1943 appears satisfactory.</p>
	Certificate of Re-registration	272	272	<ol style="list-style-type: none"> 6) A Certificate of Re-registration is required every three (3) years and after inspection, if the Chief Factory Inspector is satisfied, he will re-register the factory. This Re-registration Certificate is signed by the Chief Factory Inspector. 	

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(PRESCRIBED LICENCES)

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PUBLIC BODY	TYPE OF LICENCE	APPLICATIONS		REVIEW OF PROCEDURE	FINDINGS (Remarks)
		No. Received Jan 87 - Dec. 87	No. Processed Jan 87 - Dec. 87		
MINISTRY OF LABOUR - a) Work Permit Division	FACTORIES DIVISION & WORK PERMIT DIVISION Work Permit	No returns	No returns		Information requested from the Ministry by Circular 3/87 and by letter and Appendix in respect of 'work permits' have not been forthcoming despite visits to the Ministry and an interview with the Permanent Secretary. Although the Appendix was completed, the Permanent Secretary decided that the information must be vetted by the Committee that deals with permits. That Committee consists of the Minister, the Permanent Secretary and a Miss Myers. To date the information has not been received.

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10.

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	Bushy Park Housing Scheme - Clarendon. <u>CONTRACT NO. 10</u> Remedial works to drains.	\$71,325.00 Final Cost \$71,325.00	Satisfactorily completed.	Reviewed all available documentation.	Contract <u>negotiated</u> with contractors Keith Higgins and Joel Williams recommended by Member of Parliament for the area. Although it is reported that these contractors were competent to do the work, it is clear that the choice of contractors by the politician is indicative of political favouritism and sets the stage for other politicians of the opposing camp to carry on in the same vein. As already mentioned, there is no foreseeable solution to this problem.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Health	ISAAC BARRANT HOSPITAL, ST THOMAS		CONTINUED	c) Tender Opening:	<p>Instructions had been given to the contractors to return tenders to the Architect's office by a certain date and time. However, this instruction was later changed by letter to the contractors and instead tenders were to be delivered to the Ministry of Construction (Works) by a given date and time. One tender arrived late at the M.O.C.(W). The Contracts Committee which presided at the opening of tenders admitted the said tender for the record of tenders received. This action by the Government Contracts Committee is against all established rules in tender opening. The G.C.C. <u>MUST</u> be aware of this procedure and the fact that the tender was admitted for evaluation is considered to be a 'breach of duty' on the part of the G.C.C. It has now transpired that the said tender has been evaluated and recommended for an award and a contract has been so awarded to the wrong contractor because of neglect by the G.C.C. The rule is that late tenders are disqualified, whatever may be the reason for being late.</p> <p>The explanation given by the contractor for his tender being late is that the secretary at the contractor's office did not inform the manager of the letter changing the venue and so the tender was sent by bearer to the Architect's office in accordance with the original instruction. The bearer was re-directed to M.O.C. (W) but arrived late.</p>

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(CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Health	<p>Conversion of Isaac Barrant Hospital, St Thomas to a Poly-clinic by carrying out extensions, alterations and refurbishing of existing buildings.</p> <p>Contractor: B & B Construction Limited</p>	<p>J\$1.4 million</p> <p>G.O.J 25%</p> <p>U.S. A.I.D. 75%</p>	Contract awarded. Work to start immediately.	<p>Reviewed:-</p> <p>a) Selection of Consultants:</p> <p>b) Selection of Contractors:</p>	<p>The consultant was selected in accordance with U.S. A.I.D. procedure. This is the general policy for projects partially financed by U.S. A.I.D. It consists of the preparation of a short list of consultants by screening applicants whose technical proposals are assessed based on given terms of reference. Applicants are then "ranked" on the short list and No. 1 applicant is required to submit a financial proposal. If this proposal is acceptable a contract is signed with the consultant. If not the proposal is disregarded and No. 2 applicant on the list invited to submit a financial proposal. The process is repeated if necessary until a satisfactory financial proposal is obtained.</p> <p>Contractors were pre-qualified in accordance with Ministry of Construction (Works) standard questionnaire which provides enough detail to enable a contractor to be accepted for tendering. It appears that some consideration was given to the pre-qualification of contractors within the immediate work area. This is in accordance with Circular 43 of 1963.</p>

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(CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Erection of 100 pre-fabricated, 2-bedroom housing units at STEER TOWN, ST ANN -</p> <p>Total project 600 units islandwide</p> <p>Contractor: A.H. Buildings Jamaica Limited</p>	<p>Cost per unit \$79,000.00</p> <p>Contract figure \$7.9 million</p>	<p>Construction in progress.</p> <p>34 units completed and handed over.</p> <p>Contract period expired on May 2, 1988.</p>	<p>Reviewed available documents leading to award of contract.</p>	<p>Normal procedures for awarding this contract has been ignored and the resulting contract document is at best an innovation.</p> <p>There are clearly important matters such as the provision of a performance bond which is missing from the document and "insurance of the works" has only recently been given consideration as a result of this investigation. The document gives the impression that sites have yet to be acquired although provision is made in the document for construction on such sites.</p> <p>Because of a unilateral termination of an agreement in 1983 and as a result the contractor granted substantial damages, the supplemental agreement (in 1987) with the same contractor is a serious departure from the normal method of preparing a contract document for works of this nature. Investigations are continuing and a report will be made to Ministry of Construction (Housing) or to Parliament as the findings warrant.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Health	ISAAC BARRANT HOSPITAL	ST THOMAS	CONTINUED	d) Evaluation of Tenders:	<p>The irresponsibility of the secretary at the contractor's office cannot be accepted as valid reason for being late. No reason for late submission of a tender is accepted since lateness does not satisfy the condition of the tender. Others who have satisfied this condition must therefore take precedence over those who do not.</p> <p>The consultant in evaluating the tenders obviously took into consideration only the price offered without any regard for compliance with the conditions of the contract. Otherwise how could he have justified the recommendation for an award to a contractor whose tender should have been disqualified on the basis of a late submission. His evaluation on tenders received have nevertheless been thorough only as the prices offered were concerned.</p> <p>On the face of it the matter might appear a simple one but when it is considered that the second lowest contractor could take legal action against the client (the employer) then this action could bring into true perspective the 'neglect of duty' by the Government Contracts Committee.</p> <p>Contractors do not normally take this line of action because of the fear of being penalised on future contracts.</p> <p>In accordance with Section 21 of the Contractor-General Act the necessary reports will be made.</p>

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(CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Carib Engineering Corporation Limited	<p>Munro/Malvern Water Supply Scheme -</p> <p>This project is the second phase of the scheme consisting of distribution of water from the high level reservoir to Southfield, lower Southfield and Top Hill.</p> <p>The project is subdivided into three construction and one procurement contracts.</p>	<p>Original J\$5.2 m</p> <p>Revised J\$7.0 m</p>	72% completed June 1988 as per valuation	<p>Reviewed</p> <p>a) Selection of contractors who tendered on Contract # 1.</p> <p>b) Tender opening procedures on Contract # 1.</p> <p>c) Evaluation of Tenders on Contract # 1.</p>	<p>The method of selecting contractors to tender on Contract # 1 was at best a complete renunciation of known procedures. The result of this action was to confuse the issue of which contractor was capable of carrying out the work when the tenders were evaluated. This confusion should not have arisen had proper procedures been used to either (a) select the contractors from a pre-qualified list or (b) pre-qualify the contractors for the contract envisaged.</p> <p>It is mandatory that the record of tenders received be signed by the members of the tenders committee. The fact that this was not done is indicative of insufficient knowledge of this process, or carelessness. The opening was a private one and is not recommended in view of the suspicions of contractors that adverse decisions can be taken against them without their knowledge.</p> <p>Public opening of tender is recommended</p> <p>There was no clearly defined criteria for evaluation of the tenders and award of the contract. The consultants who evaluated the tenders, were clearly biased in favour of one contractor known to them, but this contractor was clearly not in contention for an award. Their (the consultants) recommendation for an award to the contractor</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
CARIB ENGINEERING CORPORATION LIMITED	MUNRO/MALVERN WATER SUPPLY SCHEME CONTINUED			<p>d) List of Contractors Who Tendered On Contracts Nos. 2 & 3</p> <p>e) Tender Opening Procedures on Contracts Nos. 2 & 3</p> <p>f) Evaluation of Tenders for Contracts Nos. 2 & 3</p>	<p>known to them, was irregular and was not accepted at BOARD LEVEL of Carib Engineering Corporation Limited on the basis of the facts presented to them.</p> <p>Contractors were identified by Carib Engineering Corporation Limited - the client - on the basis of previous knowledge of their track record. This process is tantamount to Selective Tendering and is acceptable, taking into account that there are relatively few contractors who specialise in the construction of water supply projects.</p> <p>Tenders were opened publicly, unlike that for Contract No. 1. Contractors or their representatives were present. This method has proved to be more satisfactory than a private opening.</p> <p>Violation of the criteria for an award has led to an improper decision not to award both contracts to the contractor whose tenders merited the award. The management of Carib Engineering Corporation Limited, on the advice of the Manager, was in breach of the principles of the criteria for award of a contract by awarding only Contract No. 3 to the winner of both contracts 2 & 3. The reasons given for not awarding both contracts to the contractor who merited the award cannot stand although practical considerations may suggest otherwise.</p> <p style="text-align: right;">3/...</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
CARIB ENGINEERING CORPORATION LTD	MUNRO/MALVERN WATER SUPPLY SCHEME - CONT'D				<p>The contractor could take legal action against the client for the action taken. More care must be exercised in these matters.</p> <p><u>GENERAL COMMENT:-</u></p> <p>1. Unorthodox procedures especially in the selection of contractors and biased recommendation for an award of Contract # 1 by the consultants was unprofessional and improper.</p> <p>2. It was improper to award Contract # 2 to a competitor who he did not merit it especially as there were doubts about his capabilities. The plan to assess this contractor's competence after the receipt of his tender is an attempt to find a way to justify an award of the contract to this contractor.</p> <p>These manoeuvrings in Contracts # 1, 2 and 3 are irregular and should be frowned upon.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Jamaica Public Service Company Limited	Construction of new sub-station in Port Antonio Contractor:- Tank-Weld Limited	J\$1.524 million	Contract awarded on recommendation of Government Contracts Committee.	<p>Examined -</p> <p>a) Selection of Contractors:</p> <p>b) Tender Documents:</p> <p style="padding-left: 20px;">i) Instructions to Tenderers;</p> <p style="padding-left: 20px;">ii) Conditions of Contract;</p> <p style="padding-left: 20px;">iii) Bills of Quantities</p> <p>c) Reviewed record of tender opening and evaluation of tenders.</p>	<p>Contractors were required to complete pre-qualification questionnaires, but there is no evidence of their being evaluated. Instead, contractors were selected from J.P.S. list.</p> <p>These are in order.</p> <p>Tenders were opened by J.P.S. Co. Tenders Committee at a private opening. This is not recommended in view of contractors' suspicions of decisions taken at private openings. Evaluation of tenders acceptable. Government Contracts Committee supported recommendations for award by consultants and forwarded their recommendations to Ministry of Public Utilities & Transport for transmission to Cabinet.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
JAMAICA PUBLIC SERVICE COMPANY LIMITED	CONSTRUCTION OF NEW SUB-STATION IN PORT ANTONIO CONTINUED		Contract awarded on recommendation of Government Contracts Committee.	Permanent Secretary, Ministry of Public Utilities & Transport advised of findings during monitoring of project.	Letter sent to Permanent Secretary, Ministry of Public Utilities & Transport pointing out: a) the inefficiency of the consultants in not evaluating the prequalifica- tion questionnaire; b) recommending public opening instead of private opening of tenders.
			Completed and handed over to J.P.S.	Interviewed consulting engineers.	Work practically completed 25.3.88 Handed over to J.P.S. Co. and commissioned on 6th April, 1988 with an overall savings of \$80,801.82 from contingency fund.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Education Consultant: Estate Development Company	Group III Primary Schools Building Programme	J\$70 million Partially financed by the Inter- American Development Bank (I.A.D.B.)	Projects under implementation (see status of projects on pages 2, 3 & 4)	Reviewed - a) Prequalification Exercise: b) Tender Documents: c) Tender Opening (a public one) d) Evaluation of Tenders & Award of Contracts:	Contractors are graded based on financial data into Grades A, B, C, D & E by setting financial criteria for these grades. Other sections of the prequalification forms are then chosen for evaluation. Contractors are required to obtain 50% of the total "mark" allowed each section before being prequalified. The intent of this novel method of prequali- fication is readily appreciated because of the nature of the projects to be implemented. However, some problems are foreseen in the tendering process mainly because of the way the financial criteria is established. Tender documents carried precise instructions. General and particular conditions of contract satisfactory for proper management of the contracts. Representative of Contractor-General in attendance as an observer, procedure adopted generally in order. Tenders were evaluated in accordance with the criteria of the lowest responsive responsible tender and an award made on that basis. One tender which should have been rejected was nonetheless evaluated. This practice is of course unnecessary and is apt to confuse the issue when a final recommenda- tion for an award is to be made.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
MINISTRY OF EDUCATION ESTATE DEVELOPMENT COMPANY LIMITED - GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME CONTINUED	Tweedside 200 pupil school. Contract period - 9 months Commenced March 1988 Contractor: Armour Metal Fencing Construction	J\$1.53 million	Project under implementation 30% complete August 1988	Examined - Progress Report:	55.5% of project time elapsed with only 30% of the work completed. Delays caused by insufficient labour on site and transportation problems. Management of project should induce contractor to import trademen where necessary to accelerate activities.
	Chalky Hill 300 pupil school Contract period - 9 months Commenced March 1988 Contractor: Roy Blake Construction	J\$1.90 million	Project under implementation 25% complete August 1988	Examined - Progress Report	55.5% of project time elapsed with a mere 15% of the work completed. Delays as above.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
MINISTRY OF EDUCATION ESTATE DEVELOPMENT COMPANY LIMITED GROUP III PRIMARY SCHOOLS	BUILDING PROGRAMME CONTINUED Pondside 200 pupil school Contract period - 9 months Commenced February 1988 Contractor Construction Developers Associates	J\$2.34 million	Project under implementa- tion 60% complete August 1988	Examined - Progress Report:	66.6% of project time elapsed with 60% of the work completed. Work progressing but slightly behind schedule.
	Duhaney Park 500 pupil school Contract period - 10 months Commenced April 1988 Contractor: Tankweld Limited	J\$2.03 million	Project under implementa- tion 15% complete August 1988	Examined - Progress Report:	40% of project time elapsed with a mere 15% of the work completed. There was some evidence of labour troubles which may have accounted for the low percentage completion.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
MINISTRY OF EDUCATION ESTATE DEVELOPMENT COMPANY LIMITED GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME CONTINUED	Kellits 800 pupil school. Contract period - 9 months Commenced April 1988 Contractor: Tankweld Limited	US\$3.27 million	Project under implementa- tion 15% complete August 1988	Examined - Progress Report	26.6% of project time elapsed with a mere 15% of the work completed. Contractors not carrying out their obligation of the contract diligently.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
JAMAICA TELEPHONE COMPANY LIMITED	ALTERATION & EXTENSION TO COMMERCIAL OFFICE CONTINUED			<p>Examined -</p> <p>Tender Document:-</p> <ul style="list-style-type: none"> i) Instructions to Tenderers; ii) Conditions of Contract; iii) Specification; iv) Bills of Quantities <p>Reviewed -</p> <p>Tender Opening:</p> <p>Evaluation of Tenders:</p> <p>Visited site October 1987, to establish if implementation is in accordance with terms and conditions of the contract.</p> <p>Payment Certificate and Progress Report</p>	<p>This document is satisfactory for proper administration of the contract.</p> <p>Tenders opened by Tenders Committee at private opening. This is not recommended in view of contractor's suspicion on the integrity of the members.</p> <p>Evaluation of tenders acceptable. Recommendation to Ministry of Public Utilities & Transport for transmission to Cabinet.</p> <p>Contractor well organised, however, no work programme was available for scrutiny. Personnel advised that programme being revised to reflect delays experienced by contractor for late occupation of existing structure for renovation.</p> <p>Certified to August 1988, \$3.9 million. Project approximately two (2) months behind schedule.</p>

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(CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Health	<p>Central Public Health Laboratory -</p> <p>A five storey building of reinforced concrete framed construction with reinforced concrete floors and roof and concrete block infill walls and including all mechanical and electrical installations</p> <p>Contractor: Eric Fong Yee Engineering Ltd</p>	<p>J\$17.2 m</p> <p>Funded by a grant provided by E.E.C.</p>	<p>Contract awarded and construction in progress - approximately 35% complete.</p> <p>3 weeks behind schedule.</p>	<p>Reviewed:</p> <p>a) Selection of contractors:</p> <p>b) Tender opening procedures:</p> <p>c) Evaluation of tenders:</p>	<p>Six contractors selected from P.W.D.' approved list and submitted to the Hon. Minister of Construction for approval in accordance with Circular 43 of 1963. Three of the names submitted finally approved by the Minister to be invited to tender. No reason given for elimination of the others. This action can only be viewed as discriminatory if no reason is given.</p> <p>Obviously, for a contract of this size a better "spread" of the competition is of more advantage to the client. The politics of the situation is understood but it should not interfere with projects of this magnitude which depends for successful completion within the budgeted amount on the judicious selection of competent contractors.</p> <p>The opening of tenders was a private one, i.e., contractors or their representatives were not present and it was in accordance with known procedures for this method, but there is suspicion among contractors about this method, in that their interests may not be served by those present at the opening.</p> <p>A public opening of tenders removes any suspicions and is therefore recommended.</p> <p>The evaluation of tenders leading to the award of contract to the lowest tenderer, taking into account the responsiveness of</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
MINISTRY OF HEALTH	PUBLIC HEALTH LABORATORY - CONT'D				<p>the tender was correct. However, because of budgetary constraints (\$17.2 m allocated or granted by EEC as against a tender figure of \$18.83 m) the Government Contracts Committee recommended a rejection of all tenders and a negotiation with the lowest tenderer. This procedure is incorrect. If all tenders are rejected then any negotiations MUST BE with all tenderers, so as to secure the advantage of competitive negotiation. In a situation of this nature, one cannot be sure that a lower tender figure would not be obtained from other tenderers than that of the lowest tenderer.</p> <p>At any rate since all tenders were rejected, then all competitors are now in the same position as before and in fairness to all of them, they should be given the opportunity to submit a negotiated price.</p> <p>The idea of an award to a contractor who would only accept the contract if the structural regime of the building was changed to suit his particular type of construction (for which he the contractor was suitably rewarded for a redesign of the structure) may have been avoided if:-</p> <ul style="list-style-type: none"> a) all six contractors were invited to tender so that negotiations could have been carried out with them to secure the most favourable price; b) there was no interference by the politician who reduced the list of contractors from six to three.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
PORT AUTHORITY OF JAMAICA	CONSTRUCTION OF BERTHS 5 & 6 & NEW TERMINAL BUILDING, MONTEGO FREEPORT . CONTINUED			<p>c) Evaluation of Tenders & Award of Contract:</p> <p>d) Progress of Work:</p>	<p>The award was consistent with established principles.</p> <p>The programme of work shows that the contractors are ahead of scheduled activity. If this progress is maintained, the project will be completed five (5) months ahead of the contract period. An acceleration cost (bonus) is being considered. This, however, should have been a condition of the contract stating the amount of the bonus otherwise it may well become an unpleasant affair.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Education	<p>Proposed Extension to Herbert Morrison Comprehensive High School, Montego Bay</p> <p>Contractor: Violet Construction Company Limited</p>	J\$2.3 million A U.S. AID/GOJ Project	Contract awarded September 1988	<p>Examined -</p> <p>a) Selection of Consultants:</p> <p>b) Selection of Contractors:</p> <p>c) Tender Document:</p> <p>i) Instructions to Tenderers;</p> <p>ii) Conditions of Contract;</p> <p>iii) Specification;</p> <p>iv) Bills of Quantities</p>	<p>The practice of appointing consultants individually has inherent weaknesses in that the co-ordination of all disciplines in the pre-contract services lacks coherence. Any project which calls for the services of architects, engineers, quantity surveyors on the same project is best served by a leader of that team for best results. There is also danger in individual appointments as any professional who should be a member of the team might well be prepared to 'deal' only with the public body which appointed him. For effective management the public body should so arrange the appointment of consultants that one member of the team is made responsible for reporting on all phases of the project. It is the team work which is important.</p> <p>Ministry of Education's list of contractors was finally approved by U.S. A.I.D. after the lending agency had questioned the name of one of the contractors which did not appear on either the total list of Ministry of Construction (Works or Urban Development Corporation.</p> <p>Tender document carried precise instructions to tenderers; conditions of contract adequate for proper administration of contract.</p> <p style="text-align: right;">2/...</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
MINISTRY OF EDUCATION	PROPOSED EXTENSION TO HERBERT MORRISON COMPREHENSIVE HIGH SCHOOL, MONTEGO BAY, ST JAMES		CONTINUED	d) Tender Opening & Evaluation: of Tenders:	This exercise was carried out with reasonable professionalism. Award of contract based on merit established in the evaluation.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Health	<p>Construction of type 3 Health Centre at Gayle, St Mary.</p> <p>A reinforced concrete 2-storey building providing facilities for dentistry, ante- natal, public health and out-patients.</p> <p>Contractor: Salmon & Associates Limited</p>	J\$1.37 million	<p>Contract awarded and construction in progress.</p> <p>Work approximately 55% completed.</p> <p>4 months behind schedule</p> <p>Contract period expired.</p>	<p>Reviewed -</p> <p>a) Selection of Consultants:</p> <p>b) Selection of Contractors:</p> <p>c) Opening of Tenders:</p> <p>d) Evaluation of Tenders:</p> <p>e) Progress of Work:</p>	<p>Consultants selected by Government Contracts Committee on behalf of clients. Ministry of Construction (Works) unable to undertake project because of staff shortage. This procedure in order.</p> <p>Contractors were pre-qualified in 1984 for this project. After three (3) years there was no revision of their status and other contractors were invited to tender. The Ministry of Construction (Works) is required by Circular 43 of 1963 to update the list of contractors twice annually. There is doubt that this is ever done.</p> <p>Tenders were opened in accordance with the rules prescribed for each opening. A proper official record resulted.</p> <p>The evaluation of tenders revealed that the lowest tender should be accepted although some rates and prices were considered low by existing standards.</p> <p>The contractor is ready to put forward excuses for poor performance rather than to solve the problems which causes this poor performance.</p> <p style="text-align: right;">2/...</p>

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2.

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Health	GAYLE HEALTH CENTRE	CONTINUED		e) Progress of Work Cont'd	<p>The absence of a work programme on site is indicative of poor planning on both the contractor and consultant.</p> <p>Performance bond expired on June 15, 1988 and there is no evidence of its renewal.</p> <p>It is doubtful that the "works" are even insured.</p> <p>The entire management of this project is unsatisfactory.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ocho Rios Commercial Centre (a subsidiary of U.D.C.)	<p>Construction of ⁸¹ supermarket & Art Gallery in Ocho Rios</p> <p>Contractor: W.G. Walters Construction Limited</p>	J\$5.681 Million	<p>Contract awarded</p> <p>Construction work in progress - approximately 50% complete</p> <p>Construction of Art Gallery cancelled from main contract. Remaining work - practical completion 6.6.88</p>	<p>Reviewed -</p> <p>a) Selection of Contractors:</p> <p>b) Tender Document:</p> <p>c) Opening & Evaluation of Tenders:</p> <p>d) Visited site to establish if implementation is in accordance with terms and conditions of contract:</p> <p>Visited site. Had discussions with U.D.C. officers and architects.</p>	<p>No evidence that contractors were pre-qualified. The names of six contractors were given to the Quantity Surveyor from whom tenders were to be invited. This is not acceptable. Selection of contractors must be made at a higher level than Project Manager - preferably at Board level.</p> <p>Satisfactory for the project under consideration.</p> <p>This exercise was carried out with reasonable professionalism.</p> <p>Contractor poorly organised. No work programme to guide construction activities. Approximately six (6) weeks behind schedule. No hope of completion on time. Supervision by client very poor, however, quality of work reasonable.</p> <p>Contract terminated with W.G. Walters Construction Limited as a result of poor performance in completing defective work. Arrangements are in hand to employ new contractor - B.K. Jackson to complete the project.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Health	CHAPLETON HOSPITAL Renovation and refurbishment of existing buildings - to be converted to Polyclinic Contractor: E.B. Singh & Sons Limited	Jl.83 million G.O.J. - 25% U.S. AID - 75%	Contract awarded. Approximately 60% complete. 4 months behind schedule	Reviewed: a) Selection of Consultants: b) Selection of Contractors: c) Opening of Tenders: d) Evaluation of Tenders:	Consulting architect selected in accordance with U.S. A.I.D. procedure. The procedure although rigorous in its requirements for a technical proposal and then a financial proposal from professionals is a departure from local practice and is in fact not totally accepted by the professional bodies. The list of contractors invited to tender was taken from that of the Ministry of Construc- tion (Works) and the tender is therefore a selective tender. This procedure was not given the proper official status required of this phase of the pre-contract services. The record of tenders opened should be signed by all members present at the opening. This was not done. Properly completed records then become the official record and no additions to or subtraction from it are allowed afterwards. Of the two tenders received one was considered by the Consultants to be so much higher than their estimate that an evaluation was not warranted. The other had errors totalling \$117,034.00 which had the effect of decreasing the tender figure by that amount. The contractor when advised offered 'to split the difference'. His offer was accepted both by the Ministry on recommendation of the Government Contracts Committee and later approved by Cabinet.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
MINISTRY OF HEALTH	CHAPLETON HOSPITAL -	RENOVATION & REFURBISHMENT CONTINUED			<p>There is no room in the rules of selective tendering for "deals" of this sort. In a competition no deals are acceptable. The contractor must either stand by his tender figure (which will be reduced by known methods in accordance with selective tendering) or withdraw. If he withdraws then the options are:-</p> <ul style="list-style-type: none">a) Invite new tenders; orb) Negotiate with both tenderers to try and arrive at a reasonable figure.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
National Hotels & Properties Limited	Construction of an ^{es1} 86 bedroom - addition to existing hotel - Jamaica Jamaica Contractor: Rovenne Construction Company Limited	Estimated Final Cost \$12.0 million Contract Figure \$10.9 million	Project completed.	Reviewed - a) Selection of Consultants : b) Selection of Contractors : c) Tender Document : c) Tender Opening & Recording of Tenders: d) Progress of Project:	The appointment of Architects, Engineers and Quantity Surveyors for any project especially one of this size was unprofessionally done. Terms of reference and scale of fees should have been the main factor of a formal agreement between the parties to the contract. The present arrangement is unsatisfactory. Contractors were chosen on an ad hoc basis. This is unsatisfactory for a project of this size. Contractors should be prequalified. The document was satisfactory for tendering and later to form a legal instrument for a contract between the client and contractor. The practice of private opening of tenders should be discontinued in favour of public opening. Contractors become suspicious of private openings because they are not privy to the tender figures on opening of tenders. The implication is that a tender figure could be changed to favour a particular contractor. The integrity of public officers is therefore put to question. Project only slightly behind schedule. Critical areas in an advance stage to meet contract completion date. Progress satisfactory.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Port Authority of Jamaica	<p>New 2nd & 3rd Data Entry Building, Montego Freeport</p> <p>2nd Data Entry (3-storey building) (35,589 sq ft floor) (space)</p> <p>Contractor: B & H Structures Limited</p>	<p>\$14.77 million</p> <p>Partially financed by Caribbean Development Bank</p> <p>\$7.11 million</p>	<p>Project under implementation - 50% work completed as at August 1988</p>	<p>Reviewed -</p> <p>a) Prequalification of Contractors:</p> <p>b) Tender Document:</p>	<p>The evaluation of the pre-qualification questionnaire would have been more meaningful if the accent on assessment had been put on areas such as:-</p> <ol style="list-style-type: none"> 1) the financial capability of the firm; 2) proven track record; 3) the experience and/or qualification of the contractor's staff; 4) the quantity and suitability of equipment for the job. <p>A score of 50% fixed by the consultants for pre-qualification is considered too low for a project estimated at \$7.11 million.</p> <p>The tender document carried precise instructions to tenderers. The conditions of the contract were satisfactory for proper administration of the contract.</p> <p style="text-align: right;">2/...</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
PORT AUTHORITY OF JAMAICA	NEW 2ND & 3RD DATA ENTRY BUILDING, MONTEGO BAY FREEPORT		CONTINUED	<p>c) Tender Opening:</p> <p>d) Report on Tenders:</p> <p>e) Progress of Project:</p>	<p>Was a private "in house" exercise. This method should be discontinued in view of contractors' suspicions that there are behind the scenes activities which are not in their interests. A public opening would remove such suspicions and in addition, the integrity of public officers would not be questionable.</p> <p>The case for an award of the lowest responsive tender was clear cut. The Government Contracts Committee supported the consultant's recommendation and the Cabinet approved.</p> <p>At the expiration of the contract period the project was a mere 53% complete. The contractor complains of difficulty in obtaining materials. A more correct assessment is poor management of the project.</p> <p>It is estimated that the new completion date will be October 1988. The evidence so far is to the contrary.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Education - Executing Agency Estate Development Company Limited- Implementing Agency	Construction of Primary School - Mineral Heights, Clarendon Contractor: Nesco Construction Services Limited	Original Contract Figure \$1.696 million Later revised to \$2.274 million	Original contract mutually terminated	Investigate causes for termina- tion of the contract. Reviewed - Mutual Termination of Contract:	<p>It is evident that the contractor had become totally frustrated with a series of events which hindered the smooth progress of the project. Chief among these were:-</p> <ol style="list-style-type: none"> Labour disputes with workers and union representatives remained in deadlock - no foreseeable solution; Government's inability to meet full value of interim certificates leading to additional labour troubles; and Consequently, the contractor's inability to finance the project to show satisfactory progress. <p>The case for mutual termination of this contract is not supported by the conditions of the contract. The conditions make provision for termination by either the employer or the contractor depending on the circumstances which prevail. The administration of the contract must of necessity relate to the conditions of the contract signed and agreed to and these are all embodied in the general conditions or the particular conditions of the contract.</p> <p>However, because of poor administration by the Consulting Architect, the question of mutual termination had become a "fait accompli". In the circumstances. the guarantee provided</p> <p style="text-align: right;">2/...</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
MINISTRY OF EDUCATION	- CONSTRUCTION OF PRIMARY SCHOOL - MINERAL HEIGHTS, CLARENDON		CONTINUED	Mutual Termination of Contract: continued	by a performance bond does not now arise and the employer was committed to pay the contractor an amount of \$1,111,134.00 to cover all outstanding payments and expenses.
	New negotiated contract to complete the project Contractor: E. B. Singh & Sons	\$1.613 million	77% completed as at September 1988	Reviewed - a) New Contract Award & Contractor's Progress:	Contract to complete the remaining portion of the project now \$1.03 million more than original contract. In a situation of this nature, any contractor will take advantage of the circumstances which led to the termination of the original contract, especially in a negotiated contract. The project is assessed to be behind schedule by approximately one month. The contractor complains of problems inherited from the former contractor and lack of skilled labour due to large scale construction activities in the area.

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1.

(CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon</p> <p><u>CONTRACT NO. 1</u></p> <p>Construction of infrastructure works and sewage treatment plant.</p> <p>Contractor: Clover Construction Co. Ltd</p>	J\$3.412 million	<p>Contract No.1 commenced March 1978.</p> <p>Terminated October 1980.</p> <p>Completed January 1984 by Marley & Plant.</p>	Reviewed all available documentation on this contract.	<p>Contract awarded to Clover Construction Co. Ltd by <u>negotiation</u> in March 1978. In October 1980 contract determined - due mainly to violent labour activity. Amount of work under contract not completed.</p> <p>Contractor's total payment at termination - J\$2,839,468.00. Six years later J\$328,917.00 not repaid from an initial J\$511,650.00 mobilization advance. Matter referred to Attorney General. Not aware of his decision to date.</p> <p>The Ministry of Construction (Housing) seems not to be aware of any other way to award a contract except through negotiation which has connotations of favouritism - political favouritism. Otherwise, how can they know which contractor with whom to negotiate? The negotiation of the larger contracts for which no specialised skill is needed has been one of the main reasons for divisiveness in the society. It has become a chronic problem for which there is no foreseeable solution.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon</p> <p><u>CONTRACT NO. 2</u></p> <p>To complete <u>PART</u> of the infrastructure works not completed under Contract No. 1.</p> <p>Contractor: Marley & Plant Limited</p>	J\$1.243 million	Satisfactorily completed	Reviewed all available documentation on this contract.	<p>Contract awarded to Marley & Plant by <u>negotiation</u> in the amount of J\$1,243,452.00 which was J\$231,946.00 more than the cost of the 'works' not completed under Contract No. 1. Final cost J\$3,044,132.00. Difference between contract figure and final account J\$1,800,680.00. Documentation to effect that sum of J\$1,243,452.00 totally unrealistic. New contract agreement 45 months after agreement for Contract No. 1.</p> <p>The difference of J\$1,800,,680.00 between the contract figure and the final account (even allowing for escalation) is indicative of the inefficiency and gross negligence of the Consultants - Estate Development Company Limited. The over-run is 145% which is unforgiveable. The Consultants were not even reprimanded or so it seemed.</p> <p>The remarks in connection with <u>negotiation</u> on Contract No. 1 applies equally to this Contract No. 2.</p>

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3.

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon</p> <p><u>CONTRACT NO. 3</u></p> <p>Clearing lots and marl fill to bases of 248 units.</p> <p>Contractor: E.B. Singh & Sons</p>	J\$306,295.00	Complete	Reviewed all available documentation.	<p>Contract <u>negotiated</u> with E.B. Singh & Sons. An over-run of \$112,608.00 on a relatively small contract for \$306,295.00 is again indicative of the looseness of preparation of the contract document to show the extent of the 'works' to be carried out.</p> <p>There seems to be no serious approach in these matters, since no one is ever penalised and Government funds are inexhaustible!</p> <p>The comments in connection with <u>negotiation</u> on Contract No. 1 applies equally to this contract.</p>

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4.

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon</p> <p><u>CONTRACT NO. 4</u></p> <p>Construction of 250 Start-A-Home Units and 150 two-bedroom units - PHASE I.</p> <p>Contractor: International E.S. Lovrics & Associates.</p>	\$8.657 million	<p>Contract commenced October 4, 1982.</p> <p>Terminated February 1983</p>	Reviewed all available documentation.	<p>Contract <u>negotiated</u>.</p> <p>Determined because of inability of contractor to finance project. Contractor's claim of \$426,599.00 reduced to \$208,024. Guarantors paid Ministry of Construction (Housing) \$112,307.00 to recover Mobilization Advance.</p> <p>There is no documented evidence that any attempt was made to establish the competence or financial position of this foreign-based Company. A Mr P. Delisser is documented as local representative of the Company but with limited powers.</p> <p>In the absence of any evidence to show that this negotiation was politically initiated, it is considered a gross incompetence on the part of the Project Managers - Sugar Industry Housing Limited not to have prequalified this contractor for an award.</p> <p>The comments on <u>negotiated contracts</u> in Contract No. 1 are relevant.</p>

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5.

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon</p> <p><u>CONTRACT NO. 5</u></p> <p>Design and construct 400 housing units.</p> <p>Contractor: Marley & Plant.</p> <p>Originally contracted to International E.S. Lovrics & Associates.</p>	J\$10.526 million	<p>Contract commenced May 18, 1983.</p> <p>Contract determined June 19, 1984.</p>	Reviewed all available documentation.	<p>Contract <u>negotiated</u> with Marley & Plant. Termination because of failure to carry out obligations diligently. \$600,000 Mobilization Advance outstanding at termination. No repayment schedule agreed in contractual conditions.</p> <p>At termination, work to the value of \$2,995,826.00 certified and paid. Attorney General to decide right of Ministry of Construction (Housing) to offset debt of \$600,000.00 against other contracts in force for M.O.C. (H) by same contractor.</p> <p>Recourse to the Attorney General would not have been necessary had proper arrangements been incorporated in the contract for the repayment of the Mobilization Advance. This is normal practice. Not enough care in the preparation of the documents highlights the unnecessary work and delay posed by this error.</p> <p>The comments on <u>negotiated contracts</u> on Contract No. 1 are relevant.</p>

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6.

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon.</p> <p><u>CONTRACT NO. 6</u></p> <p>Construction of Sewage Treatment Plant and service building not completed under Contract No. 1.</p> <p>Contract figure for this item of work \$424,000.00 under Contract No. 1.</p> <p>Contractor: B.M.S. Construction Limited.</p>	\$941,977.00	Contract suspended after about 10% complete - lack of funds.	Reviewed all available documentation.	<p>Contract <u>negotiated</u> with B.M.S. Construction Limited, some 5½ years after contract with Clover Construction Company Limited, i.e., October 1983. Contract figure of \$941,977.00 was \$517,977.00 more for these works than allowed for in Contract No. 1. The contract was suspended after less than 10% completed due to insufficient budgetary funds.</p> <p>At suspension, work certified for \$90,593.00 - Mobilization Advance \$94,198.00 - Contractor owes Ministry of Construction (Housing) \$3,605.00. Debt repaid from other contracts with the Ministry.</p> <p>The effect of escalation 5½ years later could hardly have been the reason for the contract figure originally \$424,000.00 to become \$941,977.00. An increase in the scope of the work could be only valid reason. This pattern of being uncertain of the scope of the works has been evident throughout the other contracts.</p> <p>The comments on <u>negotiated contracts</u> on Contract No. 1 are relevant.</p>

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7.

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon.</p> <p><u>CONTRACT NO. 7</u></p> <p>Infrastructure repairs and sewer distribution system for house units.</p> <p>Contractor: B.M.S. Construction Limited</p>	\$1.5 million	Contract satisfactorily completed.	Reviewed all available documentation.	<p>Contract negotiated with B.M.S. Construction Limited, seven (7) years after Contract No. 1 and one (1) year after suspension of Contract No. 6. Change in the scope of work and deterioration of existing infrastructure works due to suspension of Contract No. 6 in 1984 necessitated the work of restoration and reconstruction in some areas.</p> <p>Although there was an over-run of seven (7) months on the contract period, the work seemed to have been completed without incident. However, a substantial amount of money was spent restoring works which were already paid for under Contract No. 6. If the arrangements for financing the contract with the National Housing Trust could not be maintained, it should have been more economical to seek alternate financing for completion of Contract No. 6 rather than a suspension of it.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon.</p> <p><u>CONTRACT NO. 8</u></p> <p>Construction of 250 Start-A-Home and 150 two-bedroom units.</p> <p>Contractor: Ashtrom Building Systems Limited</p>	<p>\$12.95 million</p> <p>Final Account</p> <p>\$15.714 million</p>	Satisfactorily completed	Reviewed all available documentation.	<p>Contract negotiated with Ashtrom Building Systems Limited. This was the 3rd contract to be awarded for this phase of the development. See chart Contract No. 4 page 4 and chart Contract No. 5 page 5. The contract was completed satisfactorily and apparently without the purported labour troubles referred in letter from the M.P. for the area. The letter was really a threat to prevent the new contractor - Ashtrom from carrying out his obligations under the contract. The method of carrying out the threat was not spelt out, but whatever it was, the Minister clearly implied his support for the type of action to be taken. It is unfortunate that a Minister of Government should lend support to cause chaos and disruption of a contractor's work and thus penalise him because his predecessor owed money to workmen. Laws exist to recover a debt owed by one person to another. The idea of penalising the new contractor on this score is certainly repulsive to the senses of well thinking Jamaicans.</p>

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9.

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>Bushy Park Housing Scheme - Clarendon.</p> <p><u>CONTRACT NO. 9</u></p> <p>Construction of Sewage Treatment Plant including mechanical and electrical services.</p> <p>Contractor: E.B. Singh & Sons Limited.</p>	<p>\$872,971.00</p> <p>Final Cost \$916,619.00</p>	Satisfactorily completed.	Reviewed all available documentation.	<p>This contract is the only one of this series for which tenders were invited. It is the third such contract to be awarded for these "works". The first was determined and the second suspended.</p> <p>The contract was satisfactorily completed in September 1986, eight (8) years after contract No. 1 was awarded.</p>

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APPENDIX I

(CONTRACTS)

PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Construction (Housing)	<p>East Prospect Housing Scheme Approximately 100 2-bedroom housing units consisting of reinforced concrete walls and roof cast insitu.</p> <p>Infrastructure work including roadway, sidewalks, drainage, sewage, water and electricity at East Prospect, St Thomas.</p> <p>Contractor: Y.P. Seaton & Associates.</p>	J\$8.59 million	<p>Contract signed and works in progress - approximately 50% completed.</p> <p>Three (3) months behind schedule.</p>	<p>Reviewed:</p> <p>a) Selection of Contractor:</p>	<p>Investigations are continuing into what appears to be a complex arrangement with the contractor. Some important documents have not yet been made available. A full report will be made to Parliament as soon as the investigation is completed.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Urban Development Corporation (U.D.C.)	<p>Proposed Freezone Complex - Spanish Town</p> <p>Construction of site boundary wall and marl fill to accommodate 240,000 - sq ft of factory space.</p> <p>Contractor: L.C. McKenzie Construction Limited</p>	<p>\$9.85 million</p> <p>Partially funded by Export Development Corporation of Canada.</p>	58% completed.	<p>Reviewed-</p> <p>a) Selection of Contractor :</p>	<p>A list of contractors was submitted to the Urban Development Corporation Board by their technical officers. However, the Board in their wisdom instructed that the contract be negotiated with L.C. McKenzie Construction Limited.</p> <p>If a list of contractors is submitted by technical officers to a Board of Directors for carrying out a certain project, the basis for submitting a list must be:-</p> <p>a) any contractor on that list is capable of carrying out the work; and</p> <p>b) they should be invited to tender otherwise there is no point in submitting a list.</p> <p>If therefore the "Board" selects one of these contractors and instructs the technical officers to negotiate a contract with him, then the only conclusion to be drawn is that there is favouritism to that contractor - political favouritism? Negotiation of contracts especially of this magnitude can only be justified in an emergency. The negotiation of Government contracts is now tantamount to a cancerous growth. There is as yet no cure for cancer.</p> <p style="text-align: right;">2/...</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Bank of Jamaica	Procurement contract for Cafeteria Equipment	\$931,000.00	Project completed.	Formal enquiry into the circumstances leading to, and the award of the contract.	<p>The findings of the enquiry have been submitted to the Principal Officer of the Public Body, i.e., the Governor of the Bank and the Minister having responsibility therefor in accordance with Section 20 of the Contractor-General Act.</p> <p>Basically, the investigation revealed that the procedures used by the Bank of Jamaica to award a contract were irregular in the light of well-known and accepted standards.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of National Security -Executing Agency	Construction of ten (10) man Police Station at Barrett Town, St James	J\$1.058 million	Contract awarded August 1988	Reviewed - a) Selection of Contractors:	The implementing agency Urban Development Corporation selected and recommended a list of five contractors to the Ministry of National Security. This is correct procedure in accordance with Circular 43 of 1963. The Minister in consultation with the Member of Parliament for the area modified the list - the final version having only one of those recommended by U.D.C. The implementing agency unhappy with contractors submitted, took the initiative to prequalify them and found one not qualified to tender on project of this size.
Urban Develop- ment Corporation -Implementing Agency	Contractor: Robinson & Robinson Puerto Bello, Montego Bay			b) Opening of Tenders & Tender Report: c) Tender Document:	This practice of M.Ps modifying lists of contractors submitted and recommended by experienced technical officers is clearly wrong. The list is submitted for information not for modification. Technical officers are far more competent to select capable contractors than M.Ps. The documentation of a public opening was in accordance with standard practice. The consultant's evaluation of the tenders followed the rules of selective tendering and an award recommended to the lowest responsive tenderer. The document incorporated the Joint Consultative Committee' conditions of contract, other instructions and schedules to enable a well rounded offer to be made by contractors.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
H.E.A.R.T. Trust Consultants: Estate Development Company Ltd	Ebony Park Academy Comprising:- a) Auditorium; b) Workshops; c) Dormitories; d) Sick-Bay; e) Staff Accommodation; f) Administration Block & associated facilities. Contractor: Courage Construction Company Limited.	Original Contract figure \$9.3 million Cost escalated to \$18.5 million due to variations authorised by H.E.A.R.T. Trust	Project completed.	Examined - a) Concept of project (no brief in place) b) Selection of Contractors: c) Contract Document: d) Reviewed Record of Tender Opening & Evaluation of Tenders:	Modification to Portmore Academy but requirements not totally conceived at the time of implementation. Prequalification exercise not pursued. Contractors selection for tendering based on past working experience with agency on other projects. Four (4) selected on above basis, a fifth by an M.P. H.E.A.R.T. Trust approved the list of invitees. Satisfactory for proper administration of the contract. Record of tender opening mislaid. Information on document revealed a public opening three (3) days after the return of tender documents. Tender Report # 1 no clear recommendation for an award was made, instead request made to contractors for information to assess the competence of the two lowest tenderers. Tender Report # 2 recommendation made to second lowest tenderer after assessment by consultant, but General Manager communicate acceptance of lowest tenderer's submission. Further information revealed performance bond not forthcoming from lowest tenderer resulted in some kind of dispute. Matter referred to Ministerial Head and second lowest tenderer awarded the contract.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
H.E.A.R.T. TRUST	- EBONY PARK ACADEMY	CONT'D		<div>Contract Price:</div> <div>Contractor's Performance & Extension of Time:</div> <div>Final Statement of Account</div>	<div>Tender figure subsequently adjusted from \$6.1 million to \$7.1 million then negotiated after one year delay to \$9.3 million although project was estimated to cost \$13.5 million.</div> <div>Contractor experienced difficulties due to a lack of information, redefine location of buildings, changes supercede changes, additions, alterations, errors on the drawings curtailed activities resulted in eleven (11) months extension of time.</div> <div>Total requirement was never properly documented and compounded by several errors on the drawings which showed up glaringly in the Bills of Quantities.</div> <div>Construction proceeded without proper coordination which resulted in 328 variation orders.</div> <div>Project poorly planned by Edco.</div> <div><div>I</div><div>Contract Sum</div><div>\$ 9,304,488.00</div></div> <div><div>II</div><div>Adjustment to P.C. & Provisional sum</div><div>1,224,063.41</div></div> <div><div>Variations due to omissions and additions to contract Bills of Quantities</div><div>4,205,442.39</div></div> <div><div>Variations due to Architect's instructions</div><div>4,479,870.72</div></div> <div><div>Fluctuation</div><div>Labour</div><div>1,202,155/81</div></div> <div><div>Material</div><div>581,226.33</div></div> <div><div>Final Cost</div><div>\$18,549,119.84</div></div>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Urban Development Corporation (U.D.C.)	<p>West Kingston Development Programme divided into four (4) packages - A, B, C, & D.</p> <p>Package "A" consists of</p> <p>i) Market for haberdashery, Oxford Mall South;</p> <p>ii) New Coal Yard - (rehabilitation of grass yard into improved accommodation)</p> <p>iii) Queen's Square Open Market (stalls - no roof over)</p> <p>Contractor: McGregor & Levy Limited</p>	<p>\$170.5 million Total cost of packages A, B, C, & D.</p> <p>Partially financed by I.A.D.B. to the amount of US\$22.1 million</p> <p>G.O.J. to provide US\$8.9 million</p> <p>\$12 million</p>	Package "A" 98% completed.	<p>Reviewed -</p> <p>a) Prequalification of Contractors:</p> <p>b) Tender Documents:</p> <p>c) Tender Opening & Evaluation of Tenders:</p>	<p>In accordance with I.A.D.B. requirements, the "project" was advertised both locally and overseas requesting interested contractors to prequalify. The interest from overseas was minimal although the packages were structured to attract overseas contractors. Subsequently, a list of local contractors was submitted to the Urban Development Corporation's Board for approval. In addition, I.A.D.B. approved certain requests for negotiation of contracts.</p> <p>The procedure used for the selection of contractors may not be ideal, but in cases where the lending agencies monitor these procedures it is more or less acceptable to proceed in this way.</p> <p>These were always of a recognised standard and eventually became the legal instrument for the execution of a contract.</p> <p>The I.A.D.B. requires all tenders to be opened publicly. This procedure has been adhered to, but the receipt and evaluation of some tenders for electrical services leaves much to be desired. E.g., a tender for electrical services was received later than the given time and was admitted in the tender opening process. The consultant's (electrical) submission that the tender was "sealed and intransit" at the stipulated deadline is not only outrageous but puts his integrity in question.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
U.D.C.	<p>WEST KINGSTON DEVELOPMENT PROGRAMME</p> <p>iv) Chapel Lane Market (stalls - no roof over) \$2.2 million</p> <p>Contractor: Jamaica National Building & Furnishing</p> <p>v) Coronation Market Administration Building \$4.3 million</p> <p>Contractor: Construction Developers Associates</p> <p>vi) Kingston Pen Gully (upgrading) \$3.2 million</p> <p>Contractor: Construction Developers Associates</p> <p>vii) Three toilet blocks (Coronation Market) \$1.2 million</p> <p>viii) One toilet block (Queen's Square Open Market) \$0.25 million</p>		CONTINUED	d) Award of Contracts:	U.D.C. awards contracts without reference to the Government Contracts Committee. There is no known exemption for the Corporation to enter into contracts, but there is legal opinion to the effect that all statutory bodies and corporations can proceed except in special cases.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Agriculture	<p>Construction of a Shadehouse & Cold Storage Facility at Norman Manley International Airport comprising:-</p> <p>a) Post fumigation facilities;</p> <p>b) Shadehouse including chill room;</p> <p>c) Administration & canteen facilities</p> <p>Contractor: B & H Structures Company Limited</p>	<p>J\$2.338 million</p> <p>partially financed by World Bank (I.B.R.D.)</p>	Project completed	<p>Reviewed:-</p> <p>a) Selection of Contractors:</p> <p>b) Opening of Tenders:</p> <p>c) Evaluation of Tenders & Tender Report:</p> <p>d) Contract Documents:</p> <p>e) Implementation of Terms of the Contract:</p>	<p>The procedures outlined by the World Bank were fully complied with. The Agricultural Research Programme Unit of the Ministry of Agriculture has been particularly careful to satisfy the Bank's requirements and consequently this phase of the pre-tender activity has been well received and approved by the Bank.</p> <p>The available documents suggest that there was a private opening. This is not usual with projects partially financed by the Bank. However, there is enough evidence from the record of opening document that the procedure was professionally and officially complied with.</p> <p>The report on the evaluation of tenders is comprehensive. The recommendation for an award follows the established principle of the lowest responsive tenderer.</p> <p>The documents were comprehensive in form and left little room for any ambiguity.</p> <p>No violation of the terms of the contract were apparent.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Ministry of Agriculture- Executing Agency Sugar Industry Housing Limited- Implementing Agency	Construction of Main Post Entry Plant Quarantine Facility at Bodles Research Station -St Catherine, comprising approximately 10,000 sq ft of storage space including loading platform plus approximately 3,000 sq ft for offices Contractor: Rebeck Engineering Company Limited	J\$2.458 million A World Bank/ G.O.J. Project	95% completion.	Reviewed method of - a) Selection of Contractors: b) Tender Opening: c) Evaluation of Tenders & Tender Report: d) Contract Documents:	The requirements of the World Bank regarding the pre-qualification of Contractors were fully complied with. The Bank accordingly approved the list of contractors for tendering on the project. This was a public opening of tenders and was in accordance with World Bank's requirements. The evaluation followed the guidelines of the Bank and an award of the most responsive tender was recommended/ The Government Contracts Committee supported the recommendation of the consultant. The World Bank's standards for the various sections of the document illustrate the need to be precise on what is required of the tenderers/ The evaluation of tenders and award of contract follow from these precise instructions. The client is adequately protected on all fronts by suitable guarantees.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
	CONSTRUCTION OF MAIN POST ENTRY PLANT QUARANTINE FACILITY AT BODLES RESEARCH STATION, ST CATHERINE CONTINUED			e) Implementation of Terms of the Contract:	<p>The works have not progressed satisfactorily in relation to the time allowed - the contract period: There is an overrun of four (4) months due to the contractor's indifference to a set completion date; he rarely visits the site; the continued absence of the main supervisor has added up to poor planning and control of operations.</p> <p>Completion of the project on time may have been "key" to the arrival of imported plants and the quarantine process which follows, before distribution to farmers free from any disease which otherwise may have been introduced into the island.</p> <p>The importance of such matters seemed unimportant to the contractor, but this is not surprising in view of the poverty of his performance on what is a relatively simple project.</p>

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
	COPSE PLACE OF SAFETY FOR BOYS (PHASE II REDEVELOPMENT)		CONTINUED	Examined - Contract Document : Reviewed - Method & Ascertained Reasons for Selection of Co-Consultants:	Fully comprehensive, standard Joint Consultative Committee contract. Ascertained that each party to the contract was fully protected against default by the other and that the necessary guarantees and insurances were put in place. A. EDCO Limited stated that consultants were needed since they did not have the personnel and resources to carry out this function (daily supervision) effectively, the site being at the extreme western end of the island, its headquarters being in Kingston. B. The appointment of Westech Limited as co-consultants to supervise post contract services was unnecessary in view of the size of the project. A resident, experienced supervisor could have been just as effective at 50% of co-consultants' fees.

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
Port Authority of Jamaica	Construction of Berths 5 & 6 and New Terminal Building, Montego Freeport	J\$60 million partially financed by European Investment Bank.			
	Phase I: Supply of steel sheet piling.	\$2.265 million	Satisfactorily completed	Reviewed - a) List of Contractors for Tendering:	<p>The list was prepared from replies by interested suppliers to an advertisement. This approach is careless and could have resulted in unwarranted trouble to the employer.</p> <p>The Suppliers should have been prequalified i.e., by issuing questionnaires to each one. The questionnaires when completed and returned give vital information on such matters as:-</p> <ul style="list-style-type: none"> a) Financial resources; b) Track record; c) Ability to deliver the goods in a specified (reasonable) time; d) The reputation of the firm. <p>A number of overseas firms showed interest. There was no prior knowledge of their capabilities, but nonetheless they were listed to tender.</p>
	Suppliers: Trade Arbed Incorporated - New York				

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PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	REMARKS
PORT AUTHORITY OF JAMAICA	CONSTRUCTION OF BERTHS 5 & 6 BUILDING, MONTEGO FREEPORT		& NEW TERMINAL CONTINUED	<p>b) Tender Document:</p> <p>c) Schedule of Tenders Received At Tender Opening:</p>	<p>The document was inadequate for the purposes intended. The consultant seemed unfamiliar with procurement contracts of this nature.</p> <p>Most unsatisfactory. The schedule on which tenders were recorded did not distinguish the amount of an "alternative tender" from that of a tender of given conditions and specifications. In the final analysis, one tender was overlooked and therefore not recorded, but eventually was evaluated, recommended and awarded the contract.</p> <p>A report is to be sent to the Port Authority on this matter.</p>
	<p>Phase II: Installation of 1592 ft of piling acquired under Phase I.</p> <p>Contractor: Dumez Travaux Publics - France</p>	\$15.873 million	<p>Project being implemented 43% completion to December 31, 1988.</p>	<p>Reviewed -</p> <p>a) Prequalification of Contractors</p> <p>b) Tender Opening:</p>	<p>Thirteen firms prequalified (all overseas contractors). Prequalification method acceptable. Jamaican contractors were encouraged to form joint venture with a view to prequalifying for the project.</p> <p>The Port Authority insists on private opening of tenders although this practice is viewed with suspicion by contractors, in that their interests may not be fully protected by unscrupulous members of the team opening the tenders. A public opening would remove such suspicions and the integrity of public officers would therefore not be open to question.</p>