

THE

FOURTH ANNUAL REPORT

OF

THE CONTRACTOR-GENERAL

1st JAN 1990 TO 31st DEC 1990.

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REPORT OF THE CONTRACTOR-GENERAL FOR THE PERIOD
JANUARY, 1990, TO DECEMBER, 1990

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

INTRODUCTION

The experience gained during the past 4½ years in endeavouring to satisfy the provisions of the Contractor-General Act has brought forcibly to attention that in order for the Contractor-General to be an effective arm of Government it will be necessary to revise the Contractor-General Act so as to remove the concept that the Contractor-General's function should be similar to that of an Ombudsman.

There is little doubt that the planning and implementation of government contracts (and here I speak of what may be termed 'construction contracts') call for serious overhaul of the procedures and principles in use by the many public bodies involved if order and discipline are to be entrenched in the preparation of projects to achieve satisfactory results.

There are too many anomalies in the tendering and award processes with which to contend - thrown up during the process of monitoring - and which have their own peculiar effect on the final result.

The Contractor-General Act lists no basic guidelines by which to monitor and such exercise can only be carried out using known, tested and proved guidelines but these are often found to be somewhat at variance with those used by public bodies, and in accordance with the statute the Contractor-General has no executive authority to fix standards which all public bodies should follow.

In general, the planning, invitation to tender, award and implementation of government contracts as practised by public bodies are not conducive to good order, and there is no authority afforded the Contractor-General to correct these varying 'styles'. He can only report such findings to Parliament as required by Section 4 of the Act. I regard it as unsatisfactory that no action can be taken at the level of the Contractor-General to prepare and issue official guidelines - after these have been cleared at the appropriate level of Government - to all public bodies to bring about the orderly exercise which all those involved with government contracts would be bound to follow.

In order to achieve such a state of affairs serious revisions of the statute would be necessary to change the concept from that of an Ombudsman to one in which the Contractor-General has jurisdiction over all government contracts with executive powers to regulate and set official guidelines and thereafter to monitor those guidelines with a view to ensuring that the many phases of a project are carried out in a manner which enables decisions to be made on the basis of how well those standards have been adhered to.

MONITORING OF GOVERNMENT CONTRACTS

Some important observations

(1) The absence of proper planning of the physical requirements of a project (which will always include many details) is a common fault found in 90% of the projects monitored.

Some of this planning is of course much worse in some projects than in others and in the final analysis is responsible for substantial overruns on the contract figure because of the omission of certain details in the planning process but which have now become evident at the construction stage. This results in variation orders involving substantial sums of money.

All public bodies (except the Ministry of Construction (Works)) involved in government projects (contracts) are forced to appoint consulting architects or engineers, or both, to carry out designs and other related services for projects. But these professionals must be briefed as to the exact nature of the services required. A problem arises because there is no technical staff available in the public bodies to brief the professionals since proper briefing requires knowledge and experience of the building and civil engineering professions. Eventually the professionals write their own brief, so to speak, and prepare preliminary drawings and submit other data which is their interpretation of the client's requirements. Such services as are then submitted by the architect or engineer to the client are only partially understood by the officer of the public body concerned. Nevertheless approval is given to proceed with final arrangements for the project to go forward to the construction stage. It is only then that the client realises that details are being implemented which were not fully understood in the planning stages. Changes are then authorised involving substantial sums of money.

(2) The tender documents used by all public bodies except the Ministry of Construction (Works) contain "General Conditions of the Contract" which were developed by the Joint Consultative Committee (J.C.C.) comprising members from the Jamaican Institute of Architects, the Jamaica Institution of Engineers, the Jamaican Institute of Quantity Surveyors and the Incorporated Masterbuilders Association. This document has come into general use when inviting tenders for buildings. The legal provisions of these Conditions have not had official sanction and as such can be considered as being unofficial for use in government projects.

The Ministry of Construction (Works) prefers the use of "General Conditions of the Contract" which are a legacy from the colonial period.

Contractors have apparently become used to both Conditions when tendering on government projects but there is general agreement that the Conditions provided by the J.C.C. are more acceptable than those of the Ministry of Construction (Works). I share this view. The Contractor-General, however, has no authority to take action to regulate such matters.

(3) Although it is mandatory that tenders for all government contracts be opened by the Government Contracts Committee (G.C.C.) - (Ministry of Finance Circular No. 43 of 1963 which sets out the duties and responsibilities of the G.C.C. refers) - this mandate is rarely, if ever, complied with. The majority of public bodies arrange for a private opening of tenders and in some cases tenders are not opened for two or three days after delivery. Contractors have become suspicious of private opening of tenders and their suspicions are based on the integrity of the method. I can see no reason why a public opening of tenders should not be the official directive.

(4) The selection of contractors to tender is also clearly entrenched in Circular 43. It says in effect that the G.C.C. shall "for the purpose of inviting tenders, submit the names of a number of suitable contractors, through the Minister of Works, to the Minister under whose portfolio the project is being undertaken for his approval." This directive is often ignored and there have been many cases when the list of contractors to tender is decided by Members of Parliament and Ministers without regard for the competence of the contractor to satisfactorily complete the project should he/she be awarded the contract. In other cases when the directive is complied with, the list

is often changed by omitting names submitted and adding others with the same disastrous results as before. I submit that the list of contractors selected to tender is best compiled by the technical officers whose knowledge and experience of the track record of contractors are more to be relied on than that of any M.P. or Minister.

(5) There is legal opinion to the effect that the statutes of nearly all statutory bodies enable them to plan, award contracts and implement projects without reference to anyone, except in cases when a loan is guaranteed by central government to finance the project. The Contractor-General can, of course, monitor the pre-contract services leading to the award of a contract so initiated, as is required by Section 4 of the Contractor-General Act. He can also investigate any irregularity or any of the provisions of Section 15 of the Act and report in accordance with Section 20.

This legal opinion brings into sharp focus the ability of certain public bodies, i.e. statutory bodies, to operate in a way quite independent of any guidelines, as, for example, those given in Circular 43 of 1963, while other public bodies, such as Ministries, are instructed to follow such guidelines as are provided in the said circular.

I take the view that if public funds are involved then all public bodies should be required to adhere to any guidelines, such as they are, if for no other reason than that of presenting to the public a result which has had the benefit of being subjected to the scrutiny of a government committee such as the G.C.C. in order that the necessary checks and balances are given some consideration.

(6) The criteria for the award of government contracts have not been adequately defined in any known official document. Circular 43 states the G.C.C. shall "recommend the award of contracts to the firm submitting the lowest valid tender when using the selective form of tendering. Where other than the lowest tender is recommended the reason for not accepting the lowest tender should be stated." The word 'valid' requires definition as there are varying views of its meaning. The J.C.C. in their booklet "A Code of Procedure for Selective Tendering for use in Jamaica" gives as a criterion, and I quote: "In normal circumstances there should be no reason to consider acceptance of any tender but the lowest."

The award of a contract is the most important decision to be taken by those persons involved in this exercise and in my view neither of the guidelines given is satisfactory to enable a proper decision to be made. Because of the absence of a clear and unambiguous directive in this regard it is my experience that contracts have been awarded to the wrong contractor and contractors have become aware of this but have refrained from any action, preferring not to 'rock the boat' and thus put their future in jeopardy.

(7) The success of the implementation of any construction contract depends on -

- (a) the quality of workmanship in accordance with the specifications; and
- (b) completion of the contract within the specified period and within the contract price.

But these requirements can only be obtained by programmes of activities and by supervision on site to ensure that these activities are performed within the time allotted.

One of the most disappointing aspects of monitoring the implementation of government contracts is the finding that there is no proper supervision provided by the relevant ministry. On major construction projects a Blank of Works is the

only member of what should have been a resident site supervisory staff. The functions of such a staff are to control operations, plan with the contractor to achieve not only the quality workmanship desired but to plan ahead of the contractor to determine any problems which are likely to arise to cause delay and find a solution to such problems before they become major stumbling blocks in the way of progress.

I find it difficult to escape the conclusion that apart from the faults inherent in the physical planning of the project, the supervision of the construction phase without the controls which are necessary and which are not in place is one of the primary reasons for the overruns on time and the consequent increase in cost.

(8) Under Section 15(1)(c) of the Contractor-General Act the Contractor-General is required to conduct an investigation into the award of any government contract, and under Section 20(1) he is required to "inform the principal officer of the public body concerned and the Minister having responsibility therefor of the result of that investigation and make such recommendations as he considers necessary in respect of the matter which was investigated."

However, in accordance with Circular 43 of 1963 the G.C.C. is required to "recommend to the Accounting Officer concerned, for transmission to the appropriate Minister the award of contracts in order of preference for projects over £10,000 in value having fully investigated the tenders, the financial stability of the tenderers and their sureties and their ability to execute the work in the period and manner required."

In effect, therefore, there are two separate entities which in their separate ways can recommend the award of the same contract to the same Minister.

It is obvious that the two entities will eventually disagree on the recommendations for an award and this disagreement is all the more likely because the criteria for the award have not been determined for all public bodies to use in the analysis of tenders. The Coffee Industry Board contract is a grim reminder of the conflict which can arise in such a situation.

It is at once apparent that the dichotomy which will exist is undesirable and must be addressed.

(9) The staffing of the Office of the Contractor-General as originally proposed could only have been a guesstimate of the requirements of that office. It is clear that those involved in this exercise could hardly have had at their disposal any details of the quantum of work which the new office was to undertake especially in the areas of monitoring and investigating.

A staff complement of three (3) Inspectors and three (3) Assistant Inspectors was accordingly allocated to each of the monitoring and investigation sections, making a total of twelve (12) for the two sections. However, because of the unavailability of funds only five (5) members of the inspectorate could have been recruited. The work schedules of the original members were necessarily restricted to small samples of the programmes of public bodies (taken arbitrarily) and then a decision had to be taken not to consider any contract for monitoring and investigation less than \$250,000.

There was concern that such a small sample of projects could not really consolidate our findings of the many irregularities or improprieties which I had come to suspect were inherent in that greater mass of projects which could not be scheduled for monitoring. Nor did it impact favourably in the

public interest. From time to time members of the public telephoned complaints to the Contractor-General indicating some form of impropriety which had either taken place or was taking place in some remote part of the country. They had come to believe that the Contractor-General was the saviour of all the ills of government contracts. There is evidence that the public is still expecting that the Contractor-General will help to satisfy their anxieties and concerns about improper workmanship on government contracts and have actually suggested that there is corruption between contractors and others involved on particular contracts.

The collection of data from the many public bodies in order to prepare a programme of monitoring and/or investigation indicated that there was a larger number of projects than was at first thought. All efforts to inform myself of the number of those government projects which were either being planned and for which a contract was to be awarded, or those under construction in any one financial year, through contact with such sources as the Ministry of Finance proved futile. Of particular interest was the amount of funds committed in any one financial year to finance those contracts. This information was also not available. Eventually, through my own efforts, I was able to establish that there were approximately 200 projects with a committed cost of \$1.275 billion in the financial year 1990/91 and this information did not include a survey of the projects within the Ministry of Construction (Works) and also the Ministry of Education. Although it is the intention of this office to get at a realistic figure for all government contracts and their committed amounts in any one financial year it seems reasonable to assume at this time that the number of government contracts above \$250,000 in the financial year 1990/91 was of the order of 350 to 400 with a committed expenditure of approximately \$2.5 to \$3.5 billion.

This information, although of an approximate nature, brings into sharp focus the need for increased staffing in the monitoring and investigation sections if the Contractor-General is to carry out an effective technical audit of projects and so assist Government to plan the number of contracts which can be comfortably carried in the budget by way of available finance in any one financial year.

(10) As already mentioned only projects with a contract value above \$250,000 have been scheduled for monitoring and/or investigation. I am, however, aware that there are thousands of contracts below this figure which were being awarded by some of the larger public bodies. For example, it has been conservatively estimated that the Ministry of Construction (Works) through the parish organizations award approximately 2,000 contracts of \$100,000 in any one financial year. It is also conservatively estimated that a similar number of contracts as above are being awarded by public bodies such as the Ministry of Education, the Urban Development Corporation and the Jamaica Public Service Co. Ltd.

It was not possible to monitor any of these contracts during the period under review due to staff limitations.

(11) In accordance with circular 43 of 1963 the G.C.C. is required to submit to the appropriate Ministry their recommendations for the award of a contract to the contractor who they consider merits such award.

It is generally a normal requirement of the tender that the offer of the contractor "holds good" for a period of three (3) months.

The G.C.C. in submitting their recommendations to the Ministry will indicate

that because the tender figure is of a certain amount the Minister may approve, or that the Cabinet is to approve because the tender figure is outside the authority of the Minister. In the case when the Cabinet is to approve, a Cabinet Submission is prepared by the appropriate Ministry and sent to the Ministry of Finance for comment. The Ministry of Finance sends the Submission to the Secretary to the Cabinet who ensures that the Submission is put on the Agenda for Cabinet.

The Cabinet eventually approves - (hardly do they ever disapprove, and this is understandable) - and the appropriate Ministry is advised of the approval. However, by the time this approval is received by the Ministry concerned the time of "holding good" the offer by the contractor has expired and the offer is no longer valid. The contractor now claims for increased costs on the basis that materials have since increased in price, and sometimes increases in labour are also taken into account and other incidentals. These increases add up to substantial amounts and in the larger contracts can total as much as J\$1 million, and so the bureaucracy has led to increased costs of the project even before the award is made.

MONITORING OF PROJECTS

In my last Report I indicated that "thirty (30) projects are only partially complete and will need monitoring until completion, when final reports will be prepared." I am pleased to report that forty-four (44) final reports were prepared for the period under review; these are summarised at Appendix 1.0.0, with a review on each provided at Appendices 1.1.1 to 1.19.1. Also attached for information at Appendix 2 is a listing of projects started prior to December 1990 and which are still being monitored.

A prominent feature which underlined the final reports is the excessive overruns in cost and time. Of the forty-four (44) projects reviewed, twenty-eight (28) showed time overruns ranging between eight (8) days and forty-two (42) months, while cost escalation exceeded 11% and rose to as high as 119%, reflecting a total value of \$28,349,612.00. I shudder to think what may be the cost overrun on a hundred of these projects if the available staff were able to monitor them, not to mention the approximately three hundred (300) which my survey had indicated were present in the system during the period under review.

At this point it is instructive to look at the major reasons which are responsible for such a grave and disquieting finding. It can be shown that such a condition emanates from :-

1. an excessive number of variation orders which result from atrocious physical planning of the projects;
2. the lack of any planning, supervision and control of both the pre-contract and post-contract stages of the projects;
3. poor management during implementation;
4. the increase in material cost and sometimes labour cost during implementation of the project depending on the date when the new labour award becomes effective;
5. bureaucratic humbug;
6. political interference - leading to an award of contract to a contractor incapable of successfully completing the contract which has to be terminated and completed by another contractor;
7. trade union activity;

8. project management by officers who are totally ignorant of what is required to manage the projects under their charge to bring about a reasonably successful project, compounded by the absence of any approved guidelines to assist them.

These problems are not insurmountable but indeed can be resolved if the interest, effort and genuine will and support of the relevant institutions, including Government, are marshalled to this end.

INVESTIGATION OF THE CONTRACT FOR THE FARM COMPLEX, H.E.A.R.T. ACADEMY, EBONY PARK, CLARENDON

The monitoring of the contract for the Farm Complex, H.E.A.R.T. Academy, Ebony Park, Clarendon, indicated that there were substantial overruns on the contract period; but, even more alarming, the contract price had increased by approximately 300% of the original.

Preliminary investigations into the reasons for this rather ugly and unsatisfactory state of affairs had not convinced the Contractor-General that the planning and execution of the project had been carried out with the professionalism necessary for achieving the objectives of the project.

An initial contract was awarded to Courage Construction Co. Ltd. - contractors - in the amount of \$4.45 million for the construction of farm houses. Subsequently 239 variation orders were authorised costing \$9.19 million. Materials and labour fluctuations totalled \$0.904 million and extended preliminaries such as extra insurance premiums and contractor's overhead costs totalled \$0.67 million.

H.E.A.R.T. had appointed the Estate Development Co. Ltd. (EDCO) to undertake the designs and general management of the project, but it seems clear at this time that neither H.E.A.R.T. nor EDCO had any overall concept of the total requirements and so, instead of a coordinated overall plan of the project which could be broken down into 3 or 4 phases - each phase contracted for as funds became available - the client and EDCO, their consultants, would add to the initial contract (\$4.45 million) by way of variations without any regard for the cost of such additions.

A review of available documents shows that money was of no consequence, it would be found somehow, and although it was found the planning and management of this project stand out as a monument in confusion, disorder and recklessness in the use of public funds for which the consultants, EDCO, should be censured and the Board of Directors of H.E.A.R.T. Trust dismissed for being ineffective, callous and indifferent to matters under their control.

The foregoing was evidence enough on which to convene a formal enquiry. Unfortunately, the full report is not yet available due to the delay in the transcription of the verbatim notes by the Stenotype Writers who recorded the proceedings of the enquiry. A full report is to be submitted to Parliament in due course.

PRESCRIBED LICENCES

In my 1987/88 Annual Report I had mentioned that a member of staff had been specially allocated this work and the result so far had been rewarding. Unfortunately, this officer was killed in a motor car accident while on his way home to May Pen. The programme was suspended because the proposed

improvement in staff which was expected did not materialise due mainly to a disagreement between the Contractor-General at that time and the Commission of Parliament as to the appointment of staff. This work has only now been rescheduled as the remaining members of staff have been recently recruited for the monitoring and investigation sections. The present indications are that a major impact will be made in this area of work and will be reported in the Annual Report for 1991.

STAFF TRAINING

The Administrative Staff College announced a 3-week workshop on Tendering and Contracting to take place between October 22 and November 2, 1990, and advised that Inspectors from this Office could be invited to attend the lectures. Four Inspectors, who were then the only staff available, were sponsored by this Office. The Administrative Staff College had indicated that the Inter American Development Bank would be making a major contribution to the workshop and it was desired that the officers be exposed to international conditions of tendering and contracting as well as the local methods.

The programme was designed for the presentation and discussion of related topics in the tendering and contracting processes and proved to be a source of much benefit to the participants from this Office as can now be identified in the reports on the technical matters which they are bound to monitor on the various projects which form part of their work programme.

A series of lectures and subsequent discussions were also organized in-house on such topics as -

- (a) understanding the role and function of the Contractor-General;
- (b) contract documents - different types in use, their component sections and important aspects of the conditions of the contract;
- (c) technical aspects of the Contractor-General's activities;
- (d) the tendering process and evaluation of tenders; and
- (e) report writing.

It will be necessary to continue this training in order to improve the knowledge of members of the staff in the monitoring and investigation sections for a better performance in the carrying out of their duties. Further training courses are planned to be put into effect shortly.

STAFFING

Due to continued financial constraints imposed on this office the staff position during the year under review still remained virtually unchanged from the previous year's (1989) Report as indicated hereunder :-

<u>Post</u>	<u>Complement</u>	<u>Employed</u>	<u>Vacant</u>	<u>Remarks</u>
Contractor-General	1	1	-	Substantive holder's contract ended on 27/2/90. Director of Investigations appointed to act with effect from 1/3/90
Deputy Contractor-General/Legal Adviser	1	-	1	Part-time Legal Consultant employed with effect from 19/7/87
Director of Investigations	1	1	-	Incumbent appointed Acting Contractor-General with effect from 1/3/90
Director of Monitoring	1	1	-	
Director of Administration	1	1	-	

<u>Post</u>	<u>Complement</u>	<u>Employed</u>	<u>Vacant</u>	<u>Remarks</u>
Inspectors	6	5	1	1 resigned; 1 promoted 2 employed
Assistant Inspectors	6	1	5	Incumbent promoted Inspector with effect from 15/4/90
Senior Executive Secretary	1	1	-	
Public Relations Officer	1	-	1	
Executive Secretary	3	1	2	
Accountant (FAA IV)	1	1	-	
Office Manager	1	-	1	
Accountant (FAA II)	1	1	-	
Senior Secretary	1	-	1	
Accounting Clerk (FAA I)	1	1	-	
Secretaries	2	2	-	
Registrar	1	1	-	
Clerk (Registry)	1	-	1	
Telephone Operator/ Receptionist	1	1	-	
Driver	1	1	-	
Female Office Attendant	1	1	-	
Male Messenger	1	1	-	
Watchman	2	-	2	
Part-time Cleaner	2	-	2	
	<u>39</u>	<u>22</u>	<u>17</u>	
Total:	<u>39</u>	<u>22</u>	<u>17</u>	

ACCOUNTS

In accordance with the requirement of Subsection 27(1) of the Contractor-General Act, I enclose at Appendix 3 a copy of the Appropriation Account 1989/90 as audited by the Auditor General.

CONCLUSIONS AND RECOMMENDATIONS

I find the Contractor-General Act to be a strange document in that it falls far short of the mark. The idea of a Contractor-General for Jamaica was a good one. It is almost original. But a golden opportunity has been wasted in projecting the Contractor-General merely as a watchdog and an ombudsman. This is plainly ridiculous to those of us who know of the rot, the skulduggery, the rascality and indeed the improprieties and irregularities which are associated with government contracts.

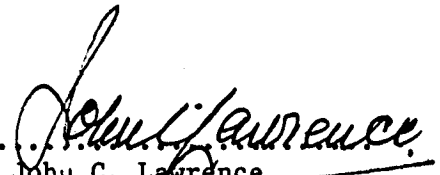
I can only conclude that there were particular reasons for structuring the Act in this way. These reasons are, however, only cellophane wrapped.

In this Report I have endeavoured to show that the role and functions of the Office of the Contractor-General would be made more effective if -

- (a) the statute were revised to give the Contractor-General executive powers to regulate and set official guidelines for all public bodies involved in government contracts to follow;
- (b) the staffing of the Contractor-General's Office is increased in the monitoring and investigation sections so as to be able to provide a technical audit of the majority of government contracts; and

- (c) the Contractor-General became the sole entity in recommending the award of contracts to the principal officer of the public body concerned on the basis that the statute is revised to give the Contractor-General jurisdiction over all government contracts. This would not only remove the possibility of a conflict of opinion with the Government Contracts Committee but would also bring under control operations of statutory bodies which can award contracts without reference to anyone;
- (d) It is clear that unless early action is taken as recommended there can be no real improvement in the modus operandi and no benefit will accrue to Jamaica as long as the Contractor-General is cast in the role of an Ombudsman.

I must once again pay special tribute to my staff for their hard work and loyal cooperation throughout the year.

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 John C. Lawrence
 Acting Contractor-General
 6th June, 1991

SUMMARY OF PROJECTS COMPLETED (FINAL REPORT)

APPENDIX 1

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APPEN- DIX NO.	P R O J E C T	CONTRACT SUM J\$	FINAL COST J\$	COST OVERRUN		TIME OVERRUN (MONTHS)
				J\$	%	
1.1.0	Final Report on Pre-Contract Services)					
1.1.1	Pipeline Installation - Cave River to) Treatment Plant)	1,294,012	1,789,002	495,010	38.25	15
1.1.2	Treatment Plant Facilities & intake) OCHO RIOS/ Structure) ST. ANN'S BAY	3,044,654	3,938,177	893,523	29.30	4
1.1.3	Electrical Installation to Plant) WATER SUPPLY Facilities)	252,191	319,575	67,353	26.70	-
1.1.4	Procurement of Pipes & Fittings)	8,726,690	8,724,960*	(1,730)*	-	2
1.2.1	Pondside)	2,342,874	2,552,979*	180,105	7.60	13
1.2.2	Tweedside)	1,538,313	1,638,295*	99,982	6.40	12
1.2.3	Kellits) GOJ/IDB PRIM. SCH. PROG.	3,274,611	3,718,132*	443,520	13.50	12
1.2.4	Chalky Hill)	1,907,858	2,204,587*	269,729	15.50	17
1.2.5	Duhaney Park)	2,028,306	2,518,791	490,486	24.10	12
1.2.6	Mineral Heights)	1,695,678	2,828,502	1,122,824	66.20	42
1.3.1	Bridgeport Primary School)	550,195	667,769	127,574	23.20	8 days
1.3.2	Naggo Head Primary School) HURRICANE REHAB. PROG.	489,260	460,354	(28,960)**	-	18 "
1.4.1	Herbert Morrison Comp. High Sch.) BASIC SKILLS PROG.	2,332,762	3,177,919	845,156	36.27	10
1.5.1	2nd Data Entry Building	7,112,806	6,370,000*	(312,806)*	-	15
1.6.1	Extension to Cruise Ship Pier Berths 5 & 6	15,873,749	21,713,802	5,840,053	36.80	4
1.7.1	Buff Bay Health Facility	1,828,901	2,171,874	343,973	19	5
1.7.2	Isaac Barratt Health Facility	1,400,000	2,485,960	1,085,960	75.5	6
1.7.3	Spanish Town Hospital	3,648,242	4,473,469	825,227	22.5	3
1.7.4	Chapleton Health Facility	1,832,803	2,549,305	716,502	39	15
1.7.5	Ulaters Spring Health Facility	2,171,362	3,045,042	873,680	40	7
1.8.1	National Family Planning Board Office, 5 Slyvan Ave.	3,477,119	5,009,283	1,532,164	43	9
1.9.1	Spanish Town Freezone	9,050,000	8,407,000	(643,000)**	-	16
1.10.1	Police Forensic Lab.	4,300,000	7,696,873	3,396,873	79	12
1.11.1	J.P.S. Stores & Sports Club - May Pen	489,004	489,004	-	-	-
1.12.1	Constant Spring Post Office	2,500,000	4,500,000	2,100,000	84	6
1.13.1	Barrett Town Police Station - St. James	1,057,574	1,426,974	369,400	35	16
1.13.2	Bethel Rown Police Station	2,299,500	3,157,000*	1,157,500	50.34	2
1.14.1	Ocho Rios Commercial Centre	5,681,000	6,160,240	679,240	12	14
1.15.1	Lewisville School	4,678,858	6,600,000	1,921,142	41	22
1.15.2	Cascade School	4,567,053	7,290,000	2,722,947	60	22
1.16.1	Renovation to Port Antonio R.M. Courthouse	236,430	380,921	144,491	61.11	4
1.16.2	Renovation to Morant Bay R.M. Courthouse	498,000	411,340	(86,160)**	-	11
1.16.3	Renovation to Supreme Court Bldg. (Public Bldg. East)	644,022	1,413,396	769,375	119.46	7
1.16.4	Renovation to May Pen R.M. Courthouse	458,595	473,697	15,102	3.29	6
1.16.5	Renovation to Lucea R.M. Courthouse	262,774	321,786	59,012	22.46	12
1.16.6	Renovation to Mandeville R.M. Courthouse	437,820	465,000	27,180	6.21	-
1.16.7	Renovation to Chapleton R.M. Courthouse	188,169	179,900	(8,269)**	-	5
1.16.8	Supreme Court Grilling Contract No. 1	164,250	133,029	(31,220)**	-	2
1.17.1	Contract C1)	554,004	678,096	124,091	22.40	6
1.17.2	Contract P1)	776,890	760,000	(16,890)**	-	-
1.17.3	Contract P2) Curatoe Hill Water Supply Scheme	756,930	777,196	20,266	2.70	5
1.17.4	Contract E/M1)	574,428	541,899	(32,539)**	-	-
1.18.1	Contract No. 1 - Replacement of Wooden Stave Pipeline, Bodles, St. Catherine	3,040,147	2,417,618	(568,529)**	-	-
1.19.1	Post Entry Plant Quarantine Facilities - Bodles	2,458,099	2,752,779	294,681	11.90	12
TOTALS		112,495,933	140,345,545	28,349,612 (1,730,103)**	25.2	389
* Provisional Figures						
** Represent Savings						

MONITORING

FINAL REPORT ON: PRE-CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION	<p>PIPELINE INSTALLATION</p> <p>Please refer to continuation sheets for individual contracts and names of contracting firms. (Appendices 1.1.1 to 1.1.4)</p> <p>Resource Engineering Limited (subsequently replaces PCJ Engineering Ltd after dismantling of that agency).</p>	CONTRACTS NW-04-CS	(02 to 06)-88-08 CONT'D	b) Tender Document	<p>The number of "bodies" which was involved in the selection of contractors is clearly ridiculous and can lead to confusion. The Ministry of Local Government is the only body to whom a list is to be submitted - Circular 43 of 1963. The Bureau of Management Support is therefore an imposter in the scheme of things and could only have been politically motivated for such action. Its ignorance of such matters is demonstrated by the inclusion of a firm, Hinds Brothers Ltd, which had no record whatever of having installed a pipeline.</p> <p>The tender document catered for five (5) sections of pipeline arranged so that each section could be priced independently, and an offer made on the individual forms of tender. Each section or a number of them could ultimately be awarded to one (1) contractor depending on the outcome of the evaluation process.</p> <p>3/....</p>

MONITORING

FINAL REPORT ON: PRE-CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION	PIPELINE INSTALLATION CONTRACTS NW-04-CS-(02 to 06)-88-08	CONT'D		c) Invitation to Tender, Opening & Evaluation of Tenders & Award of Contracts	<p>The Conditions of the Contract were the international conditions by *FIDIC, and were common to all sections which would eventually become a contract.</p> <p>The eleven (11) contractors selected were invited to tender. Nine (9) submitted their tender within the given time. However, all five (5) were completed by eight (8) contractors; one completing three (3) of the sections. This was acceptable under the rules of tendering.</p> <p>The evaluation of the tenders and recommendation for an award by the Consultants were as follows:-</p> <p>i) A contract for sections CS-02 and CS-03 to be awarded to Solid Engineering Ltd;</p> <p>ii) As above for sections CS-04 and CS-05 to Hinds Bros. Ltd;</p> <p>4/....</p>

CONTRACTOR-GENERAL'S OFFICE

APPENDIX 1:1:9...

MONITORINGFINAL REPORT ON: PRE-CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION	- PIPELINE INSTALLATION CONTRACTS NW-04-CS-	(02 to 06)-88-08	CONT'D		<p>iii) As above for section CS-06 to G & L Engineering Ltd.</p> <p>The recommendation of the Consultant was not totally supported by the GCC. The Committee supported (i) and (iii) above, but rejected (ii) on the grounds that "Hinds Bros. Ltd had not completed any pipeline projects to date."</p> <p>The GCC recommended that contracts CS-04 and CS-05 be re-tendered.</p> <p>Hinds Bros. Ltd, on being advised that their tenders were rejected complained to the Contractor-General, citing unfair treatment. The matter was investigated and a report was submitted to Parliament.</p>

CONTRACTOR-GENERAL'S OFFICEMONITORING

APPENDIX ...!...!

FINAL REPORT ON CONTRACT SERVICESPROGRAMME: OCHO RIOS/ST ANN'S BAY WATER SUPPLY PROJECT

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION	PIPELINE INSTALLATION Laying 24" Diameter Raw Water Pipeline from Cave River to Treatment Plant and 30" Diameter Treated Water Pipeline from the Treatment Plant to Main Road at Bull Point. Contractor: Solid Engineering Limited Type of Contract: (Bill of Quantities Contract)	CONTRACT NW-04-CS-02-88-08 Contract Sum: \$1,294,012.50 Revised Cost Due to Suspension of Contract (additional preliminaries \$198,464.23) \$1,492,476.73 Value of Contract at December 19, 1990 Certificate #10 \$1,789,022.25	Substantially completed Commencement Date: February 20, 1989 Contract Period: Eighteen (18) weeks Suspended: March 22, 1989 Re-commencement Date not ascertained. Certificate of Substantial Completion: October 12, 1990	Reviewed: a) Award of Contract b) Securities c) Progress Report	Award of contract consistent with recommendation of Consultant supported by the *GCC. Cabinet ratify the award. Performance Bond in order according to requirement. Insurances had to be adjusted to reflect conformity with the Conditions of Contract. The Contractor had to suspend work on this contract after only one (1) month of site activities on account of late delivery of pipes and fittings. The supply of pipes and fittings is the client's responsibility. Therefore, the contract period had to be rescheduled after delivery of the supplies. Following resumption of the activities, the works described under this contract have been substantially completed with only minor defects recorded to be corrected by the Contractor. Defects liability period expires October 11, 1991.

CONTRACTOR-GENERAL'S OFFICEMONITORING

APPENDIX1:1:2.

FINAL REPORT ON CONTRACT SERVICES TO 31/3/91PROGRAMME: OCHO RIOS/ST. ANN'S BAY WATER SUPPLY

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
<p>NATIONAL WATER COMMISSION</p> <p>[Executing Agency]</p> <p>P.C.J. Engineering Limited</p> <p>[Implementing/ Consulting Agency]</p>	<p>Construction of Treatment Plant Facilities inclusive of Cave River and Roaring River Intake Structures.</p> <p>Construction of Process Tank Foundations for Clarifiers, Filter and Splinter Tank.</p> <p>Construction of Main Control Building & a Two-Bedroom Operator's Residence.</p> <p>Contractor:</p> <p>Caribbean Construction Company Limited</p> <p>Type of Contract:</p> <p>(Bill of Quantities Contract)</p>	<p>Original Contract Sum:</p> <p>\$3,044,654</p> <p>Adjustment for Escalation:</p> <p>\$354,000</p> <p>Revised Contract Sum:</p> <p>\$3,389,654</p> <p>Final Cost:</p> <p>\$3,938,177.30</p> <p>Funding:</p> <p>Government of Jamaica</p>	<p>Completed.</p> <p>Commencement Date:</p> <p>6.11.88</p> <p>Anticipated Completion Date:</p> <p>8.1.89</p> <p>Actual Completion Date:</p> <p>Mid May 1989</p>	<p>Reviewed:</p> <p>a) Selection of Contractors</p> <p>b) Tender Documents</p> <p>c) Invitation to Tender, Return & Opening</p> <p>d) Evaluation of Tender & Award of Contract</p>	<p>Was in accordance with standard procedures.</p> <p>The Condition of Contract was as set by *FIDIC along with supporting forms of agreements and bonds. The documents appear to be satisfactory for proper administration of contract.</p> <p>Was by means of letters, giving instruction to tenders.</p> <p>It was in accordance with standard procedures. The opening was done 'publicly' but the record did not show contractors or their representatives in attendance.</p> <p>Tenders were evaluated in accordance with the criteria of the lowest responsive tender and an award made on that basis.</p>

* FIDIC = International Federation of Consulting Engineers

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FINAL REPORT ON CONTRACT SERVICES

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APPENDIX ...1:1:2....

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION	ST. ANN'S BAY WATER SUPPLY Treatment Plant Facilities & Intake Structures (cont'd)			e) Contract Securities f) Addition to Contract Sum g) Contractor's Operations	<p>Insurances and Performance Bond as requested under the terms and conditions of the contract were complied with. It was noticeable however, that the Performance Bond was late.</p> <p>The records revealed that following Hurricane Gilbert, an additional \$345,000 was sought and being considered appropriate, was sanctioned by the Consultant.</p> <p>Contractor's activities recorded satisfactory progress. However, due to delays and variations, the anticipated completion date for the contract had to be revised.</p>

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FINAL REPORT ON CONTRACT SERVICES

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APPENDIX ...1:1:2...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION-	ST. ANN'S BAY WATER SUPPLY Treatment Plant Facilities and Intake Structures (cont'd)			h) Cost for Completion of Contract	Contract Sum \$3,389,654.00 Add Increases Variations \$354,570.73 Fluctuation Material 18,724.41 Labour 53,974.81 Extension of Time (Prelim.) 265,000.00 Interest on Overdue Amt. 19,054.43 711,324.38 \$4,100,978.40 Less Reduction 162,801.08 \$3,938,177.30 =====

CONTRACTOR GENERAL'S OFFICEMONITORING

APPENDIX 1:1:2...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION - ST. ANN'S BAY WATER SUPPLY	Treatment Plant Facilities and intake		Structures (cont'd)		<p><u>COMMENTS</u></p> <p>There were good all-round communication and monthly progress meetings convened to minimise delays and ensure continuity.</p> <p>An important matter which needs attention is the interest charges which is added to the Contractor's Final Account. Due to default by the Agency to fully honour interim payment certificate when due. Every effort should be made to eliminate this type of behaviour so as to avoid additional cost to the Client.</p>

CONTRACTOR-GENERAL'S OFFICE

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FINAL REPORT ON CONTRACT SERVICES

PROGRAMME: OCHO RIOS/ST. ANN'S BAY WATER SUPPLY SCHEME

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APPENDIX ... 1:1:3..

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
<p>NATIONAL WATER COMMISSION [Executing Agency]</p> <p>P.C.J. ENGINEERING LIMITED [Implementing Agency]</p>	<p>Electrical Installation Works at the Treatment Plant Facilities, inclusive of installation in the operator's residence, standby generator room and external security lighting.</p> <p><u>Contract No.</u> NW-04-CS-11-88-10</p> <p><u>Contractor</u> Hinds Brothers' Limited</p> <p><u>Type of Contract</u> (Bill of Quantities Contract)</p>	<p><u>Contract Sum</u> \$252,191.45</p> <p><u>Variations</u> \$67,383.79 (26.7%)</p> <p><u>Final Cost</u> \$319,575.24</p> <p><u>Quantity Surveyor's Estimate</u> \$266,686.18</p> <p><u>Funding</u> Government of Jamaica</p>	<p>Completed</p> <p><u>Commencement Date</u> January 30, 1989</p> <p><u>Completion Date</u> March 31, 1989</p>	<p>Reviewed:-</p> <p>a) Selection of Contractor</p> <p>b) Invitation to Tender</p> <p>c) Return and Opening of Tenders</p> <p>d) Tender Document</p> <p>e) Evaluation of Tender</p>	<p>Contractors selected on the basis of list supplied by Ministry of Local Government.</p> <p>Three (3) contractors on the list were invited but the method of communication resulted in Hinds Brothers' Limited being invited instead of Hinds Brothers' 1972 Limited due to a misunderstanding.</p> <p>The contractors invited, returned their documents before the stipulated deadline on November 28, 1988 as recorded at a Public Opening the same day.</p> <p>Satisfactory for proper administration of the contract.</p> <p>Based on compliance to the instruction, we find that only the lowest tenderer complied with the requirements to merit the award.</p>

MONITORING

APPENDIX ...1:1:3...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION-	Ocho Rios/St. Ann's Bay Water Supply Scheme Electrical Installation works - Contract NW-04-CS-11-88-10 (cont'd)				<p><u>Comments:</u></p> <p>Since it was expedient to contact the contractors when inviting tenders, the error could have been avoided if a telegram or a letter was dispatched to the contractor and a copy retained for future reference. The public body should endeavour to use written communication instead of relying on telephone messages. This informality resulted in embarrassment to P.C.J. Engineering Limited.</p>

MONITORING

APPENDIX .1:1:3...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION	Ocho Rios/St. Ann's Bay Water Supply Scheme Electrical Installation works Contract No. NW-04-CS-11-88-10			f) Award of Contract g) Securities Insurances and Bonds h) Reports on Contract activities inspection Report on Final Account	A clear cut case to the lowest tenderer Hinds Brothers' Limited, subsequently followed by Minister's assent in letter dated January 30, 1989. Not available for inspection at times of reviewing documents, but the Consultant confirmed documents in possession. It is evident that the contractor displayed a high degree of competence to carry out his assignment within the stipulated time frame. * G.E.I. inspection certify works conform with standard practice, Contract Sum \$252,191.45 Variation Orders 67,383.79 <u>\$319,575.24</u>

*G.E.I. = Government Electrical Inspector

CONTRACTOR-GENERAL' OFFICEMONITORING

APPENDIX 1:1:4...

FINAL REPORT ON CONTRACT SERVICESPROGRAMME: OCHO RIOS/ST. ANN'S BAY WATER SUPPLY PROJECT

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
<p>NATIONAL WATER COMMISSION</p> <p>[Executing Agency]</p> <p>P.C.J. Engineering Limited</p> <p>[Implementing Agency]</p>	<p><u>Contract:</u></p> <p>Procurement of Pipes, Valves and Fittings</p> <p><u>Contractor:</u></p> <p>Macsim Limited (Local Agent)</p> <p><u>Supplier:</u></p> <p>American Cast Iron Pipe Company Limited (manufacturer)</p> <p>Contract No.</p> <p>NW-04-CS-01-88-09</p>	<p>US\$1,586,671.00</p> <p>Payment to Date:</p> <p>J\$8,724,960.51</p>	<p>Completed</p> <p>Commenced - February 14, 1989</p>	<p>Reviewed:</p> <p>(a) Selection of Contractors</p> <p>(b) Invitation to Tender Opening of Tender and Award of Contract</p>	<p>A list of suppliers was submitted through Carib Engineering Corporation with the approval of the Minister of Local Government, the National Water Commission, the client, and a technical client at that did not participate in the selection. The National Water Commission despite a decline in its technical staff is far more capable in selecting suppliers for its projects than the Ministry of Local Government, but then, the Ministry can defend this action under Circular 43 of 1963.</p> <p>Fifteen (15) firms (overseas suppliers) were invited to tender. Eleven (11) responded through local agents. There was a public opening of tenders but the record showed no evidence of representatives who attended.</p> <p>During the evaluation, it was discovered that one tenderer quoted for ductile iron pipes instead of P.V.C. pipes as specified. The said tenderer also quoted on P.V.C. pipes in an alternative tender. This tender could</p>

CONTRACTOR-GENERAL' OFFICE
MONITORING
FINAL REPORT ON CONTRACT SERVICES

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APPENDIX ...1:1:4...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION	Procurement of Pipes Valves & Fittings (cont'd)				<p>have been rejected on the grounds of prequalification of the tender. However, the assessors revised the specification to include ductile iron pipes and requested quotations from the four (4) lowest tenderers. The lowest tenderer was not a responsive one in that 'time of delivery' was a critical issue for an award and was so instructed in the tender document. The lowest tenderer's time of delivery was uncertain to meet critical needs of the project and the assessors decided to award the contract to Macsim Limited which had offered positive delivery time although their offer was \$452.00 in excess of the lowest unresponsive tender.</p> <p>This action by the assessors is supported by the principles governing an award of a contract.</p>

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MONITORING

FINAL REPORT ON CONTRACT SERVICES

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APPENDIX ...1.1.4...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION-	Procurement to Pipes, Valves and Fittings (cont'd)			c) Progress Report	<p>The lowest tenderer Applied Engineering Limited complained to the Contractor-General that they were not awarded this contract on the grounds that their tender was the lowest. The details of the investigation and report were submitted to Parliament.</p> <p>Although the initial payment was made to the American Cast Iron Pipe Company Limited to allow manufacturing of the pipes to be started, the first shipment was delayed pending the establishment of the Letters of Credit. The project suffered further delays awaiting an unconditional Parliamentary Gaurantee to ensure that the credit facilities are not impeded. Approximately two (2) months elapsed before a pre-shipment inspection could be done. Delivery of the first shipment of the pipes arrived on site much later than was anticipated. Since deliveries extended over a longer period of time, and the supply of various sizes not</p>

CONTRACTOR -GENERAL'S OFFICEMONITORINGFINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
NATIONAL WATER COMMISSION	Procurement to Pipes, Valves and Fittings (cont'd)			Report on Final Account	<p>fairly distributed, this resulted in activities on contracts for the installation of the pipes to be suspended incessantly.</p> <p>At time of review, final statement of account was not ready for presentation.</p>

CONTRACTOR-GENERAL' OFFICE

MONITORING

FINAL REPORT ON CONTRACT SERVICES

Page 1.

APPENDIX 1:2:1....

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	<p>GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME</p> <p>PONDSIDE - 200 Pupil School Including Teacher's Cottage - St Elizabeth</p> <p>Contractor: Construction Developers Associates Ltd</p>	<p>Contract Sum: \$2,342,874.00</p> <p>Revised Cost to July 1989: \$2,522,979.87</p> <p><u>Cost Overrun</u> \$180,105.00 or 7.68%</p> <p>Q.S.'s Estimate: \$2,290,044.00</p>	<p>Completed</p> <p>Contract Period: Nine (9) months</p> <p>Commencement Date: February 22, 1988</p> <p>Anticipated Completion Date: November 22, 1988</p> <p>Practical Completion Date: December 22, 1989</p>	<p>Monitoring post-contract activities.</p> <p>Reviewed:</p> <p>a) Contract Activities, Contractor's Performance & Documented Reports</p>	<p>The teacher's cottage which should be built concurrent with construction of the main building was delayed due to site instruction. Implementing Agency (EDCo) unaware of this matter until the Contractor took possession of the site the problem surfaced, requiring extension of time that could have been avoided.</p> <p>Project activities recorded as reasonable before passage of Hurricane Gilbert. Subsequently, pace of activities reduced considerably although only minor problems were recorded in progress report and site minutes.</p> <p>Conflict exist between Contractor and EDCo concerning date of practical completion. Claim by the Contractor not</p>

MONITORING

APPENDIX ...2:1...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6										
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S										
MINISTRY OF EDUCATION	GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME PONDSIDE CONT'D			Examined: a) Last Payment Certificate # 12 dated July 12, 1989	substantiated by documented evidence. Practical completion could not have been achieved before list of defects issued August 17, 1989 for remedial work to certify practical completion. It is a clear case that practical completion could not have been accomplished until late August, and in fact the date is December 22, 1989. <table><tr><td>Measured Work completed</td><td>\$2,208,305.12</td></tr><tr><td>Fluctuations: Material</td><td>214,674.75</td></tr><tr><td>Labour</td><td><u>100,000.00</u></td></tr><tr><td>Gross Value of Contractor's Work</td><td>\$2,522,979.87</td></tr><tr><td></td><td>=====</td></tr></table>	Measured Work completed	\$2,208,305.12	Fluctuations: Material	214,674.75	Labour	<u>100,000.00</u>	Gross Value of Contractor's Work	\$2,522,979.87		=====
Measured Work completed	\$2,208,305.12														
Fluctuations: Material	214,674.75														
Labour	<u>100,000.00</u>														
Gross Value of Contractor's Work	\$2,522,979.87														
	=====														

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FINAL REPORT ON CONTRACT SERVICES

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APPENDIX ...2:1....

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GROUP III PRIMARY SCHOOLS POND SIDE CONT'D	BUILDING PROGRAMME		b) Progress Report Report On Final Account	Practical completion certified December 22, 1989. Defects Liability Period expired June 22, 1990. At the time of review 26/9/90, document not ready for presentation.

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APPENDIX 1.2.2...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	<p>GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME</p> <p>TWEEDSIDE - 200 Pupil School, Clarendon</p> <p>Contractor: Armour Metal Fencing & Construction Ltd</p>	<p>Contract sum: \$1,538,313.92</p> <p>Revised Cost to June 8, 1990: \$1,638,295.67</p> <p><u>Cost Overrun</u> \$99,982.00 or 6.4%</p> <p>Q.S.'s Estimate: \$1,687,297.60</p>	<p>Completed</p> <p>Contract Period: Nine (9) months</p> <p>Commencement Date: March 28, 1988</p> <p>Anticipated Completion Date: December 28, 1988</p> <p>Practical Completion Date: December 31, 1989</p>	<p>Monitor post-contract activities.</p> <p>Reviewed: a) Contract Activities, Contractor's Performance & Documented Reports</p>	<p>The construction of the project was not free of problems - activities were hampered by the Contractor's inability to obtain skilled labour. Documentation also recorded transportation problems and difficulties to locate and procure basic materials to effectively carry out the implementation resulting in delays to the contract. In addition to Hurricane Gilbert and associated problems, the Contractor requested "Extension of time". This was granted to April 27, 1989. However, the Contractor's lack of responsibility to remedy defects in June 1989 to achieve practical completion is clear signal of his incompetence.</p>

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APPENDIX ...1:2:2...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6										
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S										
MINISTRY OF EDUCATION	- GROUP III PRIMARY SCHOOLS TWEEDSIDE CONT'D	BUILDING PROGRAMME		Examined: a) Last Payment Certificate # 15 dated June 8, 1990	Liquidated damages were contemplated by the Agency to be imposed under the terms and conditions of the contract. However, on last review liquidated damages were not applied. <table><tr><td>Measured Work Completed</td><td>\$1,520,295.67</td></tr><tr><td>Fluctuations: Material]</td><td></td></tr><tr><td>Labour]</td><td>118,000.00</td></tr><tr><td>Variation Orders</td><td>-</td></tr><tr><td>Gross Value of Contractor's Work to 8/6/90</td><td>\$1,638,295.67</td></tr></table> <div>=====</div>	Measured Work Completed	\$1,520,295.67	Fluctuations: Material]		Labour]	118,000.00	Variation Orders	-	Gross Value of Contractor's Work to 8/6/90	\$1,638,295.67
Measured Work Completed	\$1,520,295.67														
Fluctuations: Material]															
Labour]	118,000.00														
Variation Orders	-														
Gross Value of Contractor's Work to 8/6/90	\$1,638,295.67														

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME TWEEDSIDE CONT'D			b) Progress Report Report On Final Account	Practical Completion Certificate, December 31, 1989. Defects Liability Period expires June 30, 1990. At the time of review 26/9/90, documents not completed for presentation.

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FINAL REPORT ON CONTRACT SERVICES

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	<p>- GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME</p> <p>KELLITS - 800 Pupil School -Clarendon</p> <p>Contractor: Tankweld Limited</p>	<p>Contract Sum: \$3,274,611.61</p> <p>Revised Cost to September 20, 1990 \$3,718,132.28</p> <p>Liquidated Damages Applied: \$81,000.00</p> <p><u>Cost Overrun</u> \$443,520.00 or 13.5%</p> <p>Q.S.'s Estimate: \$3,357,713.00</p>	<p>Completed</p> <p>Contract Period: Fourteen (14) months</p> <p>Commencement Date: April 5, 1988</p> <p>Anticipated Completion Date: June 4, 1989</p> <p>Practical Completion: June 14, 1990</p>	<p>Monitor post-contract activities.</p> <p>Reviewed: a) Contract Activities, Contractor's Performance & Documented Reports</p>	<p>Site works were severely hampered by labour disputes with supporters from the two (2) main political parties during implementation. With the passage of Hurricane Gilbert and especially the General Election, unrest among the workers resulted in intermittent stoppages of project activities and temporary closure of the site to restrain political activists from engaging in hostilities. There were however, periods recorded in site reports when the Contractor could have accelerated activities, but failed to act diligently, although urged by the Consultant's site representative.</p>

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GROUP III PRIMARY SCHOOLS KELLITS CONT'D	BUILDING PROGRAMME			<p>Claims for extension were granted which accounted for the problems to fairly entitle the Contractor to an extension of time for the completion of the works.</p> <p>Although mindful of the problems which the Contractor experienced during implementation of the project, he never took advantage of the periods when he could have increased productivity to show worthwhile progress. As of consequence, his default resulted in Liquidated Damages being applied (\$81,000.00 to September 20, 1990).</p> <p>It is however, concluded that frustration due to the series of events might have contributed to the Contractor's negligence.</p>

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APPENDIX ...1:2:3...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	- GROUP III PRIMARY SCHOOLS KELLITS CONT'D	BUILDING PROGRAMME		<p>Examined:</p> <p>a) Last Payment Certificate # 10 dated September 20, 1990</p> <p>b) Progress Report</p> <p>Report On Final Account</p>	<p>Measured Work Completed \$3,312,458.48</p> <p>Fluctuations: Material]</p> <p>Labour] <u>405,673.80</u></p> <p>Gross Value of Contractor's Work \$3,718,132.28</p> <p>=====</p> <p>Practical completion certified June 14, 1990. Defects Liability Period expired December 14, 1990.</p> <p>At time of review 26/9/90 documents not completed for presentation.</p>

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	<p>- GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME</p> <p>DUHANEY PARK - 500 Pupil School - St Andrew</p> <p>Contractor: Tankweld Limited</p>	<p>Contract Sum: \$2,028,306.16</p> <p>Revised after P.S. Omission: \$1,795,502.06</p> <p>Variation: \$412,115.94</p> <p>Fluctuations: \$227,611.07</p> <p>Extended Preliminaries: \$83,562.50</p> <p>Final Cost: \$2,518,791.57</p> <p>Liquidated Damages \$75,000.00</p>	<p>Completed</p> <p>Contract Period: Ten (10) months</p> <p>Commencement Date: April 18, 1988</p> <p>Anticipated Completed Date: February 15, 1989</p> <p>Extension of Time Granted To: May 5, 1989</p> <p>Practical Completion Date: February 1, 1990</p> <p><u>Time Overrun</u> Twelve (12) months</p>	<p>Reviewed:</p> <p>a) Contract Activities, Contractor's Performance & Documented Reports</p>	<p>The construction activities commenced amidst doubts-regarding the employment of labour force supportive of either one of the two major political parties. Agreement on the employment of the labour force was not entirely satisfactory and resulted in the Contractor's pace of activities to be extremely slow. The quality of the Contractor's work was not up to standard in the opinion of the Consultant, and resulted in restoration at the contractor's expense.</p> <p>Following the passage of Hurricane Gilbert which required rehabilitation work, the General Election resulted in the total shut-down of the project. On resumption of the activities the Contractor's performance was the subject of several adverse comments from the Consultant, which resulted in the Contractor being penalised by the application of Liquidated Damages.</p>

P.S. = Provisional Sum

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APPENDIX ...1:2:5..

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GROUP III PRIMARY SCHOOLS DUHANEY PARK CONT'D	BUILDING PROGRAMME <u>Cost Overrun</u> \$490,486.00 or 24.18% Q.S.'s Estimate: \$2,115,696.00		b) Extension of Time c) Progress Report	Granted on May 5, 1989, with extended preliminaries in favour of the Contractor (see Final Account). Practical completion certified February 1, 1990. Defects Liability Period expired August 1, 1990.

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APPENDIX ...1:2:5...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME DUHANEY PARK CONT'D			d) Final Statement of Account (#10)	Contract Sum (bill of Quantities) \$2,028,306.16 Adjustment of P.S. (net omission) 232,804.10 \$1,795,502.06 Variation Orders (net addition) 412,115.94 \$2,207,618.00 Fluctuations: Labour 183,685.32 Materials 43,925.75 \$2,435,229.07 Extended Preliminaries 83,562.50 \$2,518,791.57 =====
				e) Liquidated Damages	Computation: August 5, 1989, to January 31, 1990, at \$600.00 per working day total \$75,000.00 deducted from Certifi- cate # 8 (period May to August not accounted for).

P.S. = Provisional Sum

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APPENDIX ...1:2:4...

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	<p>- GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME</p> <p>CHALKY HILL - 300 Pupil School - St Ann</p> <p>Contractor: Roy Blake Construction</p>	<p>Contract Sum: \$1,907,858.50</p> <p>Revised Cost to August 29, 1990: \$2,204,587.03</p> <p><u>Cost Overrun</u> \$296,729.00 or 15.5%</p> <p>Q.S.'s Estimate: \$2,126,218.98</p>	<p>Completed</p> <p>Contract Period: Nine (9) months</p> <p>Commencement Date: March 21, 1988</p> <p>Anticipated Completion Date: December 21, 1988</p> <p>Extension of Time granted to: February 8, 1989</p> <p>Practical Completion Date: May 4, 1990</p>	<p>Reviewed: a) Contract Activities, Contractor's Performance & Documented Reports</p>	<p>The project experienced excessive delay to the activities. There were reports of unreliable labour force (seasonal), and other problems associated with the supervision of the contract. The major cause of the delay resulted from the Contractor's inability to carry out his task diligently due to financial difficulties. The project lacked building material when the supply of labour was in abundance.</p> <p>Several correspondence to the Contractor to remedy his default even to the point where conditions were imposed to motivate the Contractor proved useless, although extension of time was granted for practical reasons. The liquidated damages of \$600.00 per day to correspond with the period beyond the extended time was not fully applied. Amount deducted</p>

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APPENDIX1.2.4.

1	2	3	4	5	6												
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S												
MINISTRY OF EDUCATION	- GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME CHALKY HILL CONT'D				<p>for Liquidated Damages \$15, 000.00 on Certificate # 10 dated 29/8/90.</p> <p>The Contractor failed to carry out his obligation of the contract diligently and therefore the Client had every reason to apply the relevant termination clause of the Conditions of the Contract due to default by the Contractor. However, it is understood that the generosity extended includes a reduce charge in Liquidated Damages which represents only a subscription of the charges probably due to the Contractor's already distressed financial situation.</p> <table><tr><td>b) Last Payment</td><td>Measured Work completed</td><td>\$1,937,933.00</td></tr><tr><td>Certificate # 10 dated</td><td>Fluctuations: Material]</td><td></td></tr><tr><td>August 29, 1990</td><td>Labour]</td><td><u>266,654.03</u></td></tr><tr><td></td><td>Gross Value of Contractor's Work</td><td><u>\$2,204,587.03</u> =====</td></tr></table>	b) Last Payment	Measured Work completed	\$1,937,933.00	Certificate # 10 dated	Fluctuations: Material]		August 29, 1990	Labour]	<u>266,654.03</u>		Gross Value of Contractor's Work	<u>\$2,204,587.03</u> =====
b) Last Payment	Measured Work completed	\$1,937,933.00															
Certificate # 10 dated	Fluctuations: Material]																
August 29, 1990	Labour]	<u>266,654.03</u>															
	Gross Value of Contractor's Work	<u>\$2,204,587.03</u> =====															

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APPENDIX ...1:2:4...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	- GROUP III PRIMARY SCHOOLS BUILDING PROGRAMME CHALKY HILL CONT'D			c) Progress Report Report On Final Account	Practical completion certified May 4, 1990. Defects Liability Period expired November 4, 1990. At the time of review documents not ready for presentation.

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1	2	3	4	5	6																											
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S																											
MINISTRY OF EDUCATION	<p>- HURRICANE REHABILITATION PROGRAMME CONT'D</p> <p>Contract # 4 Bridgeport Primary, St Catherine</p> <p>Contractor: H.D.B. Construction Ltd</p> <p>Type of Contract: (Bill of Quantities Contract)</p>	<p>Contract Sum: \$550,195.65</p> <p>Final Cost: \$607,769.46</p> <p><u>Quantity Surveyor's Estimate</u> \$541,126.90</p> <p><u>Escalation</u> \$127,574.00 (23.2%)</p>	<p>Completed.</p> <p>Commencement Date: September 11, 1989</p> <p>Anticipated Completion Date: December 4, 1989</p> <p>Date of Practical Completion: December 12, 1989</p>	<p>Reviewed:</p> <p>a) Documents On Project Activities, Certificate of Practical Completion</p> <p>b) Final Account As Agreed</p>	<p>No reported problems affected project's implementation. Contractor activities recorded satisfactory progress, but additional work required revision of original completion date. Contractor's performance to achieve practical completion by December 12, 1989, is worthy of note.</p> <table><tr><td>Contract Sum</td><td></td><td>\$550,195.65</td></tr><tr><td>Omission:</td><td></td><td></td></tr><tr><td>Error</td><td>\$</td><td>28.75</td></tr><tr><td>Day Works</td><td></td><td>3,000.00</td></tr><tr><td>Provisional Bill No. 4</td><td></td><td>14,609.50</td></tr><tr><td>Contingencies</td><td></td><td>71,760.90</td></tr><tr><td>Bill 3/3 A & B Fencing</td><td></td><td>35,257.50</td></tr><tr><td></td><td></td><td>124,656.65</td></tr><tr><td></td><td>c/f</td><td>\$425,539.00</td></tr></table>	Contract Sum		\$550,195.65	Omission:			Error	\$	28.75	Day Works		3,000.00	Provisional Bill No. 4		14,609.50	Contingencies		71,760.90	Bill 3/3 A & B Fencing		35,257.50			124,656.65		c/f	\$425,539.00
Contract Sum		\$550,195.65																														
Omission:																																
Error	\$	28.75																														
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Provisional Bill No. 4		14,609.50																														
Contingencies		71,760.90																														
Bill 3/3 A & B Fencing		35,257.50																														
		124,656.65																														
	c/f	\$425,539.00																														

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	- HURRICANE REHABILITATION PROGRAMME BRIDGEPORT PRIMARY	CONT'D			b/f \$425,539.00 Additions: Fluctuation: Material 17,516.12 Variations Nominated Sub-Contractor 138,427.85 Variation Order No. 001 72,353.10 Additional Electrical Repairs 23,933.39 Final Account \$677,769.46 =====

CONTRACTOR-GENERAL OFFICEMONITORING

APPENDIX ...1:2:6..

FINAL REPORT ON CONTRACT SERVICESPROGRAMME: GOJ/IDB GROUP II PRIMARY SCHOOL IMPROVEMENT

(CARRIED OVER TO GROUP III)

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION [Executing Agency] ESTATE DEVELOPMENT COMPANY LIMITED (EDCo) [Implementing Agency]	Construction of Primary School - MINERAL HEIGHTS, CLARENDON 1st Contractor: NESCO Construction Service Limited 2nd Contractor: E.B. Singh & Sons Limited (see continuation sheet page 4 for review of monitoring activities) Consultants: Roy Stephenson Associates -Architects- Davidson & Hanna -Quantity Surveyors-	Original Contract Sum: \$1,695,678.18 Final Account After Termination of Contract: \$1,065,165.87 Quantity Surveyor's Estimate : Not yet available Funding: GOJ/IDB	Commencement Date: May 1, 1985 Mutually Determined: May 1987 Completed by E.B. Singh & Sons Ltd	Reviewed: Prequalification Exercise, List of Contractors, Invitation to Tender Examined: Tender Record of Opening Reviewed: Tender Report & Award of Contact	Following the investigation into the cause for determination of the original contract, the subsequent contract was monitored to completion. Complete investigation review as under: Documents mislaid during the transition period from National Development Agency (abolished) to Estate Development Company Limited. However, other information source revealed activities in accordance with standard practice. Public opening in accordance with standard procedure. Consulting Quantity Surveyor evaluated tenders, admitted that the lowest responsive tender to be awarded the contract. But no conclusive recommenda- tion, instead Consultant relying on another party's knowledge to justify recommendation. 2/....

CONTRACTOR-GENERAL' OFFICEMONITORING

APPENDIX 1: 2.6.....

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY MINERAL HEIGHTS CONT'D	SCHOOLS IMPROVEMENT		<p>Examined: Tender Document</p> <p>Reviewed: a) Insurances & Bond</p> <p>b) Causes for Termina- tion of contract</p>	<p>Ministry of Education awarded contract to lowest tenderer (NESCo).</p> <p>Satisfactory for proper administration of the contract.</p> <p>Documents not available, however, evidence contained in letters from financial institutions.</p> <p>It is evident that the Contractor had become totally frustrated with a series of events which hindered the smooth operation of the project. The most glaring of these events were:-</p> <p>i) labour disputes with workers and union representatives remained in deadlock, no foreseeable solution;</p> <p>ii) large-scale theft of building materials, departure of security force from site after minority group protested harassment;</p> <p>3/....</p>

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APPENDIX ..1.2.6..

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	GOJ/IDB GROUP III PRIMARY SCHOOLS IMPROVEMENT MINERAL HEIGHTS CONT'D			c) Mutual Determination of contract	<p>iii) Government's inability to meet full value of interim certificates leading to additional labour troubles; and</p> <p>iv) Consequently, the Contractor's inability to finance the project to show satisfactory progress.</p> <p>The case for mutual determination of the contract is not supported by the Conditions of Contract. The conditions make provision for termination by either the employer or the contractor. However, the Attorney General having examined all the circumstances and implications in his wisdom recommended a mutual termination as the most feasible procedure. In this instance, the question of the bond would not arise and the employer is committed to reimburse the contractor's expenses (\$1,065,165.87).</p>

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APPENDIX ...1:2:6...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY SCHOOL IMPROVEMENT MINERAL HEIGHTS CONT'D E.B. Singh & Sons Limited (Contractor) Type of Contract: (Bill of Quantities Contract)	New negotiated contract to complete remaining portion of works: \$1,613,097.25 Estimated Cost to October 1989: \$1,753,336.87 Liquidated Damages to October 1989: \$20,000.00	Commenced: June 11, 1988 Anticipated Completion Date: October 12, 1988 Extension of Time Granted: March 12, 1989 Completion Date: January 1990	Reviewed: a) New Contract Award b) Contractor's Performance	<u>Monitoring Activities</u> The contract to complete the remaining portion of the works was approximately \$1,000,000.00 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. A subsequent contract awarded to E.B. Singh appeared to have inherited some of the problems which NESCo experienced. Although having some distinct advantages, due to his knowledge of the locality and the absence of the union, his performance in comparison was extremely poor. The contract period for four (4) months expired on October 12, 1988, although extended to March 1989, was not handed over until January 16, 1990. This is a clear indication that the Contractor had not been duly diligent in carrying out his obligation of the contract and appropriately liquidated damages was prescribed.

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY MINERAL HEIGHTS CONT'D	SCHOOL IMPROVEMENT		c) Payment Certificate #5, Dated October 4, 1989 Report On Final Account Overview	Value of Contractor's work as under: Preliminaries \$ 150,600.00 Day Works 50,131.28 Builder Work (measured) 1,167,899.99 Variations 364,705.69 Fluctuation: Material 20,000.00 \$1,753,336.87 =====
					Liquidated Damages to October 4, 1989 \$ 20,000.00 Final account not completed at time of review. The contract for the construction of a primary school was originally anticipated for completion by June 1986, but due to unruly elements from activists who allegedly were politically aligned hindered the process of development and deprived the society of education for an additional 3½ years.

CONTRACTOR-GENERAL OFFICEMONITORING

APPENDIX ..1:2:6..

FINAL REPORT ON CONTRACT SERVICESPROGRAMME: GOJ/IDB GROUP II PRIMARY SCHOOL IMPROVEMENT

(CARRIED OVER TO GROUP III)

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
<p>MINISTRY OF EDUCATION [Executing Agency]</p> <p>ESTATE DEVELOPMENT COMPANY LIMITED (EDCo) [Implementing Agency]</p>	<p>Construction of Primary School - MINERAL HEIGHTS, CLARENDON</p> <p>1st Contractor: NESCO Construction Service Limited</p> <p>2nd Contractor: E.B. Singh & Sons Limited</p> <p>(see continuation sheet page 4 for review of monitoring activities)</p> <p>Consultants: Roy Stephenson Associates -Architects-</p> <p>Davidson & Hanna -Quantity Surveyors-</p>	<p>Original Contract Sum: \$1,695,678.18</p> <p>Final Account After Termination of Contract: \$1,065,165.87</p> <p>Quantity Surveyor's Estimate : Not yet available</p> <p>Funding: GOJ/IDB</p>	<p>Commencement Date: May 1, 1985</p> <p>Mutually Determined: May 1987</p> <p>Completed by E.B. Singh & Sons Ltd</p>	<p>Reviewed:</p> <p>Prequalification Exercise, List of Contractors, Invitation to Tender</p> <p>Examined:</p> <p>Tender Record of Opening</p> <p>Reviewed:</p> <p>Tender Report & Award of Contact</p>	<p>Following the investigation into the cause for determination of the original contract, the subsequent contract was monitored to completion.</p> <p>Complete investigation review as under: Documents mislaid during the transition period from National Development Agency (abolished) to Estate Development Company Limited. However, other information source revealed activities in accordance with standard practice.</p> <p>Public opening in accordance with standard procedure.</p> <p>Consulting Quantity Surveyor evaluated tenders, admitted that the lowest responsive tender to be awarded the contract. But no conclusive recommenda- tion, instead Consultant relying on another party's knowledge to justify recommendation.</p> <p>2/....</p>

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APPENDIX .1:2.6.....

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY MINERAL HEIGHTS CONT'D	SCHOOLS IMPROVEMENT		<p>Examined: Tender Document</p> <p>Reviewed: a) Insurances & Bond</p> <p>b) Causes for Termina- tion of contract</p>	<p>Ministry of Education awarded contract to lowest tenderer (NESCo).</p> <p>Satisfactory for proper administration of the contract.</p> <p>Documents not available, however, evidence contained in letters from financial institutions.</p> <p>It is evident that the Contractor had become totally frustrated with a series of events which hindered the smooth operation of the project. The most glaring of these events were:-</p> <p>i) labour disputes with workers and union representatives remained in deadlock, no foreseeable solution;</p> <p>ii) large-scale theft of building materials, departure of security force from site after minority group protested harassment;</p> <p style="text-align: right;">3/....</p>

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APPENDIX ..1.:2:6..

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	GOJ/IDB GROUP III PRIMARY SCHOOLS IMPROVEMENT MINERAL HEIGHTS CONT'D			c) Mutual Determination of contract	<p>iii) Government's inability to meet full value of interim certificates leading to additional labour troubles; and</p> <p>iv) Consequently, the Contractor's inability to finance the project to show satisfactory progress.</p> <p>The case for mutual determination of the contract is not supported by the Conditions of Contract. The conditions make provision for termination by either the employer or the contractor. However, the Attorney General having examined all the circumstances and implications in his wisdom recommended a mutual termination as the most feasible procedure. In this instance, the question of the bond would not arise and the employer is committed to reimburse the contractor's expenses (\$1,065,165.87).</p>

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APPENDIX ...1:2:6...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY SCHOOL IMPROVEMENT MINERAL HEIGHTS CONT'D E.B. Singh & Sons Limited (Contractor) Type of Contract: (Bill of Quantities Contract)	New negotiated contract to complete remaining portion of works: \$1,613,097.25 Estimated Cost to October 1989: \$1,753,336.87 Liquidated Damages to October 1989: \$20,000.00	Commenced: June 11, 1988 Anticipated Completion Date: October 12, 1988 Extension of Time Granted: March 12, 1989 Completion Date: January 1990	Reviewed: a) New Contract Award b) Contractor's Performance	<u>Monitoring Activities</u> The contract to complete the remaining portion of the works was approximately \$1,000,000.00 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. A subsequent contract awarded to E.B. Singh appeared to have inherited some of the problems which NESCo experienced. Although having some distinct advantages, due to his knowledge of the locality and the absence of the union, his performance in comparison was extremely poor. The contract period for four (4) months expired on October 12, 1988, although extended to March 1989, was not handed over until January 16, 1990. This is a clear indication that the Contractor had not been duly diligent in carrying out his obligation of the contract and appro- priately liquidated damages was prescribed.

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APPENDIX ...1:2:6...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY MINERAL HEIGHTS CONT'D	SCHOOL IMPROVEMENT		c) Payment Certificate #5, Dated October 4, 1989 	

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FINAL REPORT ON CONTRACT SERVICES

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APPENDIX ...1.4!...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
H.E.A.R.T. TRUST -	GOJ/US AID BASIC SKILLS TRAINING PROJECT PROPOSED EXTENSION TO HERBERT MORRISON COMPREHENSIVE HIGH SCHOOL	CONT'D		b) Last Payment Certificate # 18 dated 15/11/90	<div> Contract Sum \$2,332,762.86 </div> <div> Extended Preliminaries (due to extension of time) 29,220.00 </div> <div> Fluctuations: Material 97,186.01 </div> <div> Labour 87,913.15 </div> <div> Variation Orders & Additional Work 630,837.77 </div> <div> Total \$3,177,919.79 </div> <div> ===== </div>
				Report On Final Account	At the time of review, document not completed for presentation.

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APPENDIX ...1:3:2...

FINAL REPORT ON CONTRACT SERVICES

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MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	HURRICANE REHABILITATION PROGRAMME CONT'D Contract # 5 Naggo Head Primary, St Catherine Contractor: B.W. Thompson & Associates Type of Contract: (Bill of Quantities Contracts)	Contract Sum: \$489,260.00 Final Cost: \$460,354.10 Quantity Surveyor's Estimate: \$534,471	Completed Commencement date: August 29, 1989 Anticipated Completion Date: November 24, 1989 Date of Practical Completion: December 12, 1989	Reviewed: a) Documents On Project Activities, Certificate of Practical Completion b) Final Account As Agreed	Site reports showed progress activities to be fairly good, although Contractor not fully mobilised to complete project by scheduled completion date. Scope of work altered to generate savings, but subsequently affected programme which resulted in delays. However, Client benefit from reduced cost by the adjustments. Practical completion achieved three (3) weeks later than original projected target date. Original Contract Sum \$489,260.60 Omissions: Day Works \$ 5,300.00 Provisional Bill 17,245.00 Contingencies 63,816.60 Fencing 2,000.00 Built-up Roof 52,948.00 Door (removal) 780.00 142,089.60 c/f \$347,171.00

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MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	- HURRICANE REHABILITATION PROGRAMME NAGGO HEAD PRIMARY CONT D				b/f \$347,171.00 Additions: Variations 66,240.00 Variations Fencing <u>46,943.10</u> Final Account \$460,354.10 =====

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APPENDIX ...4:1....

PROGRAMME: GOJ/US-AID - BASIC SKILLS TRAINING PROJECT

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
<p>H.E.A.R.T. TRUST [Executing Agency]</p> <p>MINISTRY OF EDUCATION [Implementing Agency]</p>	<p>Proposed Extension to Herbert Morrison Comprehensive High School, Montego Bay.</p> <p>-Classroom Block & Workshops</p> <p>Contractor; Violet Construction Company Limited</p> <p>Type of Contract: (Bill of Quantities Contract)</p>	<p>Contract Sum: \$2,332,762.86</p> <p>Cost Adjustment Preliminaries: \$29,220.00</p> <p>Variation Orders: \$630,837.77</p> <p>Escalation: Material & Labour \$185,099.16</p> <p>Last Payment Certificate: \$3,177,919.79</p> <p>Cost Overrun: \$845,156.93 (36.2%)</p> <p>Funding: GOJ/US-AID</p>	<p>Completed</p> <p>Original Contract Period: Ten (10) months</p> <p>Commencement Date: October 20, 1988</p> <p>Anticipated Completion Date: August 9, 1989</p> <p>Extension Granted: Eight (8) months</p> <p>Revised Completion Date: April 2, 1990</p>	<p>Reviewed:</p> <p>a) Selection of Consultants</p> <p>b) Selection of Contractors</p> <p>c) Tender Document</p>	<p>The practice of appointing Consultants individually has inherent weaknesses, in that the coordination of all disciplines for pre-contract services lack coherence. The project is best served by a leader of consulting team for best results. For effective management of contracts 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.</p> <p>Tender list submitted to US AID for approval. One (1) name did not appear on either of the total list. US AID communicated their objection to selection. Substitution in view of the US AID directive, finally approved.</p> <p>Tender document carried precise instructions to tenderers, condition of contract adequate for proper administration of contract.</p>

2/....

KEY: GOJ = Government of Jamaica; US AID = United States Agency for International Development;

CONTRACTOR-GENERAL OFFICEMONITORING

APPENDIX ..1.2.6..

FINAL REPORT ON CONTRACT SERVICESPROGRAMME: GOJ/IDB GROUP II PRIMARY SCHOOL IMPROVEMENT

(CARRIED OVER TO GROUP III)

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION [Executing Agency] ESTATE DEVELOPMENT COMPANY LIMITED (EDCo) [Implementing Agency]	Construction of Primary School - MINERAL HEIGHTS, CLARENDON 1st Contractor: NESCO Construction Service Limited 2nd Contractor: E.B. Singh & Sons Limited (see continuation sheet page 4 for review of monitoring activities) Consultants: Roy Stephenson Associates -Architects- Davidson & Hanna -Quantity Surveyors-	Original Contract Sum: \$1,695,678.18 Final Account After Termination of Contract: \$1,065,165.87 Quantity Surveyor's Estimate : Not yet available Funding: GOJ/IDB	Commencement Date: May 1, 1985 Mutually Determined: May 1987 Completed by E.B. Singh & Sons Ltd	Reviewed: Prequalification Exercise, List of Contractors, Invitation to Tender Examined: Tender Record of Opening Reviewed: Tender Report & Award of Contact	Following the investigation into the cause for determination of the original contract, the subsequent contract was monitored to completion. Complete investigation review as under: Documents mislaid during the transition period from National Development Agency (abolished) to Estate Development Company Limited. However, other information source revealed activities in accordance with standard practice. Public opening in accordance with standard procedure. Consulting Quantity Surveyor evaluated tenders, admitted that the lowest responsive tender to be awarded the contract. But no conclusive recommenda- tion, instead Consultant relying on another party's knowledge to justify recommendation. 2/....

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FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY MINERAL HEIGHTS CONT'D	SCHOOLS IMPROVEMENT		<p>Examined: Tender Document</p> <p>Reviewed: a) Insurances & Bond</p> <p>b) Causes for Termina- tion of contract</p>	<p>Ministry of Education awarded contract to lowest tenderer (NESCo).</p> <p>Satisfactory for proper administration of the contract.</p> <p>Documents not available, however, evidence contained in letters from financial institutions.</p> <p>It is evident that the Contractor had become totally frustrated with a series of events which hindered the smooth operation of the project. The most glaring of these events were:-</p> <p>i) labour disputes with workers and union representatives remained in deadlock, no foreseeable solution;</p> <p>ii) large-scale theft of building materials, departure of security force from site after minority group protested harassment;</p> <p>3/....</p>

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APPENDIX .1.2.6.

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	GOJ/IDB GROUP III PRIMARY MINERAL HEIGHTS CONT'D	SCHOOLS IMPROVEMENT		c) Mutual Determination of contract	<p>iii) Government's inability to meet full value of interim certificates leading to additional labour troubles; and</p> <p>iv) Consequently, the Contractor's inability to finance the project to show satisfactory progress.</p> <p>The case for mutual determination of the contract is not supported by the Conditions of Contract. The conditions make provision for termination by either the employer or the contractor. However, the Attorney General having examined all the circumstances and implications in his wisdom recommended a mutual termination as the most feasible procedure. In this instance, the question of the bond would not arise and the employer is committed to reimburse the contractor's expenses (\$1,065,165.87).</p>

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APPENDIX ...1:2:6...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY SCHOOL IMPROVEMENT MINERAL HEIGHTS CONT'D E.B. Singh & Sons Limited (Contractor) Type of Contract: (Bill of Quantities Contract)	New negotiated contract to complete remaining portion of works: \$1,613,097.25 Estimated Cost to October 1989: \$1,753,336.87 Liquidated Damages to October 1989: \$20,000.00	Commenced: June 11, 1988 Anticipated Completion Date: October 12, 1988 Extension of Time Granted: March 12, 1989 Completion Date: January 1990	Reviewed: a) New Contract Award b) Contractor's Performance	<u>Monitoring Activities</u> The contract to complete the remaining portion of the works was approximately \$1,000,000.00 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. A subsequent contract awarded to E.B. Singh appeared to have inherited some of the problems which NESCo experienced. Although having some distinct advantages, due to his knowledge of the locality and the absence of the union, his performance in comparison was extremely poor. The contract period for four (4) months expired on October 12, 1988, although extended to March 1989, was not handed over until January 16, 1990. This is a clear indication that the Contractor had not been duly diligent in carrying out his obligation of the contract and appropriately liquidated damages was prescribed.

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APPENDIX ...1:2:6...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF EDUCATION	GOJ/IDB GROUP III PRIMARY MINERAL HEIGHTS CONT'D	SCHOOL IMPROVEMENT		c) Payment Certificate #5, Dated October 4, 1989 	

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APPENDIX1:4:1...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
H.E.A.R.T. TRUST -	GOJ/US AID BASIC SKILLS TRAINING PROJECT PROPOSED EXTENSION TO HERBERT MORRISON COMPREHENSIVE HIGH SCHOOL	CONT'D			<p>Subsequent claims for extension of time default in payments, additional works and other minor problems associated with delays, resulted in the contract completion date to be extended to April 2, 1990.</p> <p>The Contractor however, neglected to programme his activities to meet the deadline which resulted in further delays.</p> <p>Communication indicates that liquidated damages will be applied since practical completion was not achieved until June 21, 1990.</p> <p align="right">5/....</p>

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APPENDIX ...1:4:1...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
H.E.A.R.T. TRUST -	GOJ/US AID BASIC SKILLS TRAINING PROJECT PROPOSED EXTENSION TO HERBERT MORRISON COMPREHENSIVE HIGH SCHOOL	CONT'D	Actual Completion Time: June 1990	d) Invitation to Tender, Return & Opening of Tenders e) Evaluation of Tenders, Award of Contract f) Securities, Performance Bond, Insurances	Contractors invited to tender returned documents before deadline as instructed. No evidence on record of contractor(s) in attendance at 'Public Opening' of the tenders. Evaluation reporting format below standard. However, recommendation and award of contract based on merit, lowest responsive, responsible tender. Not in place prior to commencement of contract activities and later discovered that these securities were outstanding for several months. It is the Ministry's interest from several points of view to ensure that the Contractor properly and sufficiently fulfil the legal requirements of the contract. The responsibility for 3/....

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APPENDIX ...1-4-1...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
H.E.A.R.T. TRUST - GOJ	US AID BASIC SKILLS TRAINING PROJECT PROPOSED EXTENSION TO HERBERT MORRISON COMPREHENSIVE HIGH SCHOOL	CONT'D		Examined: a) Documents, Site Visits	accepting insurances and bond, and for the adequate terms and provisions rest with the employer to safeguard his position, should certain eventualities arise during the course of the contract The Ministry should be made to account for their action for not securing the interest of H.E.A.R.T. Trust. Site visits revealed that the Contractor's facilities in place for carrying out activities of the project without cause for disruption. However, proceeds from periodic payment certificate not honoured when due, resulting in the Contractor suspending activities of the project, on the grounds that he is unable to make material purchases and payments of labour bills. Although the matter was recorded in site minutes, similar problem occurred which hampered the smooth operation of construction activities.

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APPENDIX ...:5:1...

FINAL REPORT ON CONTRACT SERVICESPROGRAMME: GOJ/CDB - ADMINISTRATION & DATA ENTRY BUILDINGS

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
PORT AUTHORITY OF JAMAICA	New 2nd Data Entry Building, Montego Freeport (3-storey building 35,589 sq. ft floor space) Contractor: B & H Structures Limited Consultants: Harold Simpson & Assocs. Ltd -Architects & Planners- Westech Limited -Consulting Engineers-	Contract Sum: \$7,112,806.10 Q.S's Estimate: \$8,278,367.00 Last Payment Approx. \$6,800,000.00 Funding : GOJ CDB	Completed. Commencement Date: November 9, 1987 Anticipated Completion Date: August 8, 1988 Certificate of Substantial Completion: September 21, 1989	Reviewed: a) Prequalification of Contractors b) Tender Document	The evaluation of the pre-qualification questionnaire would have been more meaningful if the accent on assessment had been put on areas such as:- 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. A score of 50% fixed by the Consultants for pre-qualification is considered too low for a project estimated at 7.11M. The tender document carried precise instructions to tenderers. The conditions of the contract were satisfactory for proper administration of the contract.

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APPENDIX ...1:5:1...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
PORT AUTHORITY OF JAMAICA	CA - NEW 2ND DATA ENTRY BUILDING, MONTEGO FREEPORT CONT'D			<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's 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>3/....</p>

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APPENDIX ...5:1...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
PORT AUTHORITY OF JAMAICA -	NEW 2ND DATA ENTRY BUILDING, MONTEGO FREEPORT CONT'D				<p>The Contractor does not seems to be concerned about the protraction of the project.</p> <p>It is obviously clear that the Contractor was not diligent in the discharge of his duties.</p> <p>Save for a lone willing foreman to execute a project of the size and complexity, he is not on the site for about one third of the time, due to other commitment, and when present he had to carry out duties of middle management function along with his designated duties.</p> <p>Several requests made to the Contractor to have proper site manager/coordinator on the site went unheeded, and it is no wonder that the efficiency remains at 40-50% level from the initial stage of construction of the project to the very end.</p> <p>4/....</p>

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APPENDIX 1.6.1...

PROGRAMME: GOJ/EIB - MONTEGO FREEPORT CRUISE SHIP PIER

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
THE PORT AUTHORITY OF JAMAICA	Extension to Cruise Ship Berths 5 & 6 1592 linear feet extension to berths Contractor: Dumez Travaux Publics (France) Consultant: A De B Consultants	Contract Sum: \$15,873,749.89 <u>Omit as follows:</u> Prov. Sums \$ 3,813,287.00 Quantities Adj. \$ 890,057.55 <u>Add as follows:</u> Quantities Overrun \$ 3,736,450.69 Variation Orders \$ 5,263,745.75 Fluctuation \$ 1,543,202.11 Final Cost \$21,713,802.89	Completed Date Started: 18.4.88 Completion Date: 18.8.89 Date of Practical Completion: 22.12.89 Final Completion Date: 8.1.91	Reviewed: a) Prequalification of Contractors b) Tender Document c) Invitation to Tender, Return of Tender Bids	Thirteen (13) firms prequalified (all overseas contractors). Prequalification method acceptable. Jamaican contractors were encouraged to form joint venture with a view to prequalifying for the project. As a general overview the document is satisfactory for proper administration of the contract. Tender document issued to all prequali- fied contractors including one local (Jamaican) joint venture firm. However, only five (5) companies including the local firm returned the completed document as instructed before the deadline. 2/....

KEY: GOJ = Government of Jamaica; EIB = European Investment Bank; Prov. Sums = Provisional Sums; Adj. = Adjustment

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
PORT AUTHORITY OF JAMAICA	EXTENSION TO CRUISE SHIP BERTHS 5 & 6	Quantity Surveyor's Estimate: \$17,910,640.30	CONT'D	d) Tender Opening e) Evaluation Report & Award of Contract f) Securities - Performance Bond, Insurances	<p>The Port Authority insists on "Private Opening" of tenders although this practice is viewed with suspicion by contractors. A "Public Opening" would remove such suspicion and the integrity of public officers would therefore not be opened to question.</p> <p>The evaluation of tenders in accordance with standard procedure and the award was correctly made to the lowest responsive tenderer.</p> <p>These items were submitted by the Contractor and they appeared to be in order in accordance with the stated requirements.</p> <p>3/....</p>

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APPENDIX ...1:6:1...

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
PORT AUTHORITY OF JAMAICA	EXTENSION TO CRUISE SHIP BERTHS 5 & 6	CONT'D		g) Progress of Work, Extension of Time On Account of Delays, Certificate of Full Completion	<p>Contractor obviously experienced in this field; well organised and equipped to undertake the work successfully. A comparison with the work programme shows progress ahead of schedule during site visits. However, additional work and the passage of Hurricane Gilbert delayed activities. Extension of time was granted to December 22, 1988. Contractor applied himself diligently to the task and completed the assignment by the rescheduled completion date.</p> <p>Full completion achieved after the expiration of defects liability period, one year later December 21, 1989.</p> <p>Certificate of completion issued January 8, 1991 indemnified the Contractor from any further obligation to the contract.</p> <p>4/....</p>

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APPENDIX ...1:6:1...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
PORT AUTHORITY OF JAMAICA -	EXTENSION TO CRUISE SHIP BERTHS 5 & 6		CONT'D	h) Works Programme Acceleration	<p>This matter has not been reviewed due to the absence of documented information. Attempts to secure clear and precise details only result in a letter indicating the Port Authority's request to the Contractor to expedite certain sections of the project. The detail description of the works and the related cost has not been provided.</p> <p>5/....</p>

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
PORT AUTHORITY OF JAMAICA	EXTENSION TO CRUISE SHIP BERTHS 5 & 6		CONT'D	Examined: Final Account As Agreed	<div> Tender Sum \$15,873,749.89 </div> <div> Adjustment to Provisional Sum (Omit) 3,813,287.00 </div> <div> 12,060,462.89 </div> <div> Adjustment of Measured Quantities (Omit) 890,057.55 </div> <div> 11,170,405.34 </div> <div> Quantities Overrun Add 3,736,450.69 </div> <div> 14,906,856.03 </div> <div> Variation Orders 5,263,745.75 </div> <div> 20,170,601.78 </div> <div> Add Fluctuations: Labour 684,339.81 </div> <div> Material 858,862.30 </div> <div> Final Cost \$21,713,803.89 </div> <div> ===== </div>

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APPENDIX ...7:1....

PROGRAMME: HEALTH MANAGEMENT IMPROVEMENT PROJECT

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
<p>MINISTRY OF HEALTH [Executing Agency]</p> <p>Health Management Improvement Programme (HMIP)</p> <p>[Implementing Agency]</p>	<p>Alteration & Renovation to Various Existing Buildings at BUFF BAY HEALTH FACILITY, Portland</p> <p>Contractor: NESCo Construction Co. Ltd</p> <p>Consultants: Gladstone Fisher & Assocs. -Architects-</p> <p>David Norris & Assocs. -Quantity Surveyors-</p> <p>Type of Contract: Bill of Quantities Contract</p>	<p>Original Contract Sum: \$1,828,901</p> <p>Revised: \$1,879,709.12</p> <p>Q.S's Estimate: \$1,774,479</p> <p>Final Cost: \$2,172,874</p> <p>Cost Overrun: \$343,973 - 19%</p> <p>Funding: GOJ 25% US AID 75%</p>	<p>Completed.</p> <p>Original Contract Period: Six (6) months</p> <p>Commencement Date: 19th January, 1989</p> <p>Original Contract Completion Date: 18th June, 1989</p> <p>Revised Completion Date: November 1989</p> <p>Final Completion Date: November 1989</p> <p>Time Overrun: Five (5) months</p>	<p>Reviewed:</p> <p>a) Selection of Consultants</p> <p>b) Selection of Contractors</p> <p>c) Receipt, Opening of Tenders, Evaluation & Award of Contract</p> <p>d) Implementation</p>	<p>This was done in accordance with GOJ/US-AID procedures.</p> <p>Three (3) contractors were invited to tender, but only two (2) responded. Of the two (2), one was rejected. This resulted from failure to comply with bidding instructions (non-responsive).</p> <p>After an assessment of the only remaining tender, and comparing with the estimates provided by the Consultants, it was recommended for acceptance which was supported by the Government Contracts Committee and later approved by Cabinet.</p> <p>Prior to the start of the job, the Contractor signed a contract and provided his securities, i.e., Performance and Mobilization Bonds. He obtained a mobilization advance of 10% of the contract sum which was repaid - vide Certificate #2 dated 7/3/89.</p> <p>2/....</p>

KEY: GOJ = Government of Jamaica; US-AID = United States Agency for International Development; Adj. = Adjustment; P.C. Prime Cost;
Prov. Sum = Provisional Sums

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APPENDIX ...!7!....

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	BUFF BAY HEALTH FACILITY	CONT'D			<p>The works were started in January 1989, and during the construction period the Contractor complained of problems owing to shortage of building materials and loss of production time, due to general elections. The real problem however, is the Contractor's poor planning.</p> <p>He could not provide a proper work programme schedule. In fact, one was provided but rejected by the Architect. He did not provide a proper site office or proper storage for building materials during the earlier part of the operation; and the hospital buildings were being used for this purpose. Again the role of his site supervisor was not properly defined</p> <p>Loss and expenses as in final account were due to the increase of preliminary items arising from time overrun of the project.</p> <p>3/....</p>

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	BUFF BAY HEALTH FACILITY	CONT'D			<p style="text-align: right;"><u>Final Account</u></p> <p>Tender Sum \$1,828,901.12</p> <p>Add Error (Encl. 22) 50,808.00</p> <p>Corrected Tender \$1,879,709.12</p> <p>Add:</p> <p>Adjustment of P.C. & Prov. Sums 411,220.86</p> <p>Variations 334,226.97</p> <p>Losses & Expenses 69,100.00</p> <p>Fluctuation 151,891.74</p> <p style="text-align: right;">\$2,846,148.69</p> <p>Less Omission:</p> <p>Variation \$248,623.86</p> <p>Adj. to P.C & Prov. Sum 424,650.00 673,273.86</p> <p>Final Amount of Contract \$2,172,874.83</p> <p style="text-align: right;">=====</p> <p style="text-align: right;">4/....</p>

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APPENDIX ...1:7:1...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	BUFF BAY HEALTH FACILITY	CONT'D			<p>Cost overrun is approximately 19% of the original contract figure, but this was mainly due to variations and fluctuations. The repairs to the morgue and the ancillary staff building were not included in the main contract.</p> <p>As regards the selection of contractors, at least six (6) contractors should have been invited to tender. Of the two (2) who responded, only one (1) was responsive and therefore a proper evaluation could not be done. What was done was a comparison of figures between the responsive tender and the estimate provided by the Consultant. <u>A single tender is no longer competitive</u> and would amount to a negotiation.</p> <p>The contract should have been retendered</p>

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APPENDIX .1:7:2...

FINAL REPORT ON CONTRACT SERVICES

PROGRAMME: HEALTH MANAGEMENT IMPROVEMENT PROJECT

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH [Executing Agency] Health Management Improvement Programme [Implementing Agency]	Isaac Barrant Hospital, St Thomas To do Extensions, Conversions, Alterations & Renovations to Existing Hospital Buildings. Contractor: B & B Construction Limited Consultants: Rivi Gardner & Associates -Architects- Type of Contract: Bill of Quantities Contract	Original Contract Sum: \$1.4M Q.S's Estimate: \$1,664,991.22 Final Cost: \$2,485,960.00 Cost Overrun: \$1,085,960.00 (77.5%) Funding: GOJ - 25% US-AID - 75%	Project completed. Commencement Date: November 1988 Original Completion Date: May 1989 Final Completion Date: December 1989	Reviewed: a) Selection of Consultants b) Selection of Contractors c) Invitation To Tender, Receipt & Opening of Tenders, Evaluation & Award of Contract	Consultants were selected in accordance with GOJ/US-AID procedures. Contractors were selected from a pre- qualified list of contractors supplied by the Ministry of Construction (Works). The list must be approved by the lending agency. The names of the contractors are issued to the Consultants by the Ministry of Health. Five (5) firms were invited to tender. At the stipulated time the tender box was opened and three (3) tenders were returned - a third tender was returned 5 minutes late with explanation - that of B & B Construction Limited. Although the explanation was accepted and the tender admitted, it should have been rejected for <u>lateness</u> - an accepted practice. (This practice prejudice another tenderer from winning the award). 2/....

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	ISAAC BARRANT HOSPITAL	CONT'D			<p>The two (2) lowest tenders were checked for arithmetical accuracy and pricing balance. B & B Construction had errors totalling \$45,197.57, which if added would increase the tender sum. The Contractor was apprised of these errors and also his pricing method but he indicated his willingness to stand by his tender sum. He cited that as a share-holder in St Thomas aggregate, a haulage contractor, and with interest in joinery shop activities in close proximity to the site, he had the advantage of providing cheaper labour rates to the Client.</p> <p>These arguments at first sounded convincing but soon came unstuck. The other two (2) tenders were higher than that of the Consultants, and therefore B & B Construction Ltd, being the lowest responsive bidder was recommended for award of the contract which was supported by the Government Contracts Committee and approved by Cabinet.</p> <p>3/....</p>

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FINAL REPORT ON CONTRACT SERVICES

APPENDIX1:7:2...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	ISAAC BARRANT HOSPITAL			<p>d) Project Implementation</p> <p>e) Securities</p>	<p>Work was commenced on this project in November 1988, with a contract period of six (6) months, to be completed in May 1989. This site was plagued with problems as below:-</p> <ol style="list-style-type: none"> 1. theft; 2. problems of suitable work force; 3. bad weather; 4. relocation of hospital personnel; 5. late payments - payment certificate submitted in November 1989, was not honoured until June 1990. The buildings were completed and handed over in December 1989; <p>The Contractor provided the necessary performance bond and insurances prior to commencement of works.</p> <p style="text-align: right;">4/....</p>

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APPENDIX ...1:7:2...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	ISAAC BARRANT HOSPITAL	CONT'D			<p>6. <u>Client's Request - Variations</u></p> <p>The client requested that the sewage plant be totally refurbished and all sewer pipes be replaced by other material except pitch fiber. The sewer system had become non-functional subsequent to the preparation of the contract. The variations amounting to \$1,085,960.00 were approved by Cabinet.</p> <p><u>Observation</u></p> <ol style="list-style-type: none"> 1. Late bids should be disqualified. they should not be opened but returned to the bidder. 2. Mobilization advance has been fully repaid. <p><u>Final Cost</u></p> <ol style="list-style-type: none"> 1. Contract Sum \$1,400,000 2. Adjustment to P.C. sum \$191,810

CONTRACTOR-GENERAL' OFFICEMONITORING

APPENDIX1:7-2...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
	ISAAC BARRETT HOSIPTAL (Cont'd)				<u>Final Cost (Cont'd)</u> 3. Hurricane Damages/ vandalism - 585,000 4. Additional fencing 8,000 5. Work on standby lighting plant 25,000 6. Security (Guard doggs) 56,650 7. Additional Work (Client's request) 69,500 8. Material fluctuation 45,000 9. Labour fluctuation- 105,000 <u>1,085,960</u> <div style="text-align: right;">Final Cost <u>\$ 2,485,960</u></div>

CONTRACTOR GENERAL'S OFFICEMONITORING

APPENDIX ..1:7:3...

FINAL REPORT ON CONTRACT SERVICESPROGRAMME: GOJ/US AID - HEALTH MANAGEMENT IMPROVEMENT PROJECT

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH [Executing Agency] Health Management Improvement Programme [Implementing Agency]	Spanish Town Hospital, St Catherine 1) Renovation of Existing Hospital Buildings & Reinstatement of Works Damaged by Hurricane 'Gilbert'. 2) Completion of new Pharmacy Block. 3) Provide New Central Sterilizing Service Department. 4) Provide New Out-patient & Physiotherapy Department. Contractor: Civcon Engineering Limited Consultants: Alberga Graham -Architects & Quantity Surveyors-	Contract Sum: \$3,648,242.84 Q.S's Estimate: \$3,565,646.00 Final Cost: \$4,473,469.85 Cost Overrun: \$825,227.01 - 22.5% Funding: GOJ US AID	Project completed. Original Contract Period: Eight (8) months Commencement Date: 17th July, 1989 Original Completion Date: March 1990 Final Completion Date: June 1990 Time Overrun: Three (3) months	Reviewed: a) Selection of Consultants b) Selection of Contractors c) Invitation, Receipt, Opening of Tenders, Evaluation & Award of Contract	Consultants were selected in accordance with GOJ/US-AID procedures. Contractors invited to tender were taken from the official list of contractors prepared by the Ministry of Construction (Works), and forwarded to the Consultants by the Project Manager of HMIP - Ministry of Health. Four (4) contractors were invited to tender, with the usual instructions, but only three (3) tenders were received, opened and recorded. The two (2) lowest were checked for responsiveness and evaluated. Both had arithmetical errors. The lower of the two had errors amounting to \$11,196.00, and if corrected would increase the tender sum. This tender was 2.3% above the Consultant's estimate. The other tender had errors totalling \$3,461.00, and if corrected would increase the tender sum which would be 20.18% above the Consultant's estimate.

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Kb.. GOJ = Government of Jamaica; US AID = United States Agency for International Development; HMIP = Health Management Improvement Programme;
GCC = Government Contracts Committee

CONTRACTOR-GENERAL'S OFFICEMONITORINGFINAL REPORT ON CONTRACT SERVICES

APPENDIX ...1:7:3...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	SPANISH TOWN HOSPITAL Type of Contract: Selective Tendering	CONT'D		d) Implementation e) Securities	<p>Civcon Engineering Limited being the lowest responsive bidder was contacted and indicated a willingness to stand by its tender figure which was recommended for the award. The matter was later taken before the GCC where the recommendation was supported and later approved by Cabinet.</p> <p>An agreement was signed between the Contractor and the Ministry of Health in June 1989, with a contract period of eight (8) months. The works commenced in July 1989.</p> <p>The Contractor, provided the necessary insurances, performance bond and mobilization bond to cover a 10% loan of the contract sum. The mobilization loan was repaid. Tax Compliance Certificate was also furnished.</p> <p>3/....</p>

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APPENDIX ...1:7:3...

1	2	3	4	5	6																
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S																
MINISTRY OF HEALTH	- SPANISH TOWN HOSPITAL	CONT'D			<p>The Contractor, although diligent and capable was making slow progress, resulting in part from the constant relocation of hospital staff and movement of materials from place to place. In addition, there were variations, increases in labour and material costs plus the undertaking of the electrical and mechanical works from the "Ansaldo" contract which all contributed to the extension of time and cost overruns (\$825,227 or 22.6%). Extension of time was granted.</p> <p style="text-align: right;"><u>Final Cost</u></p> <table><tr><td>Contract Sum</td><td>\$3,648,242.84</td></tr><tr><td>Less Contingencies</td><td><u>88,500.00</u></td></tr><tr><td></td><td>\$3,559,742.84</td></tr><tr><td>Less Provisional Sum</td><td><u>500,000.00</u></td></tr><tr><td></td><td>\$3,059,742.84</td></tr><tr><td>Add Variations</td><td><u>1,413,727.01</u></td></tr><tr><td></td><td>\$4,473,469.85</td></tr><tr><td></td><td>=====</td></tr></table>	Contract Sum	\$3,648,242.84	Less Contingencies	<u>88,500.00</u>		\$3,559,742.84	Less Provisional Sum	<u>500,000.00</u>		\$3,059,742.84	Add Variations	<u>1,413,727.01</u>		\$4,473,469.85		=====
Contract Sum	\$3,648,242.84																				
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Add Variations	<u>1,413,727.01</u>																				
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APPENDIX ...7.4....

FINAL REPORT ON CONTRACT SERVICES

PROGRAMME: HEALTH MANAGEMENT IMPROVEMENT PROJECT

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH [Executing Agency] Health Management Improvement Programme [Implementing Agency]	Chapelton Health Facility The works consist of alteration and renovation to various existing buildings at Chapelton Hospital renamed Health Facility. Contractor: E.B. Singh & Sons Ltd Consultant: Alberga Graham Jamaica -Architects & Quantity Surveyors- Type of Contract: Negotiated Contract	Original Contract Sum: \$1,832,803 Q.S's Estimate: \$1,788,992 Total Final Cost: \$2,549,305 Cost Overrun: \$716,502 - 39% Funding: GOJ 25% US-AID 75%	Completed Original Contract Period: Six (6) months Commencement Date: March 1988 Original Completion Date: September 1988 Revised Date: January 1989 Final Completion Date: December 1989 Time Overrun: Fifteen (15) months	Reviewed: a) Selection of Consultants b) Selection of Contractors c) Opening of Tenders d) Evaluation & Award of Contract	Consultants were selected in accordance with GOJ/US-AID procedures. The five (5) contractors invited to tender were taken from a prequalified list of contractors of the Ministry of Construction (Works). Of the five (5) invitees, only two (2) responded and the record of tenders opened was not signed by the members present at the opening. Of the two (2) tenders opened, Garan-Tee Construction's tender of \$2,275,897.00 was considered very excessive and an evaluation was not done. E.B. Singh & Sons Ltd's tender of \$1,891,320.00 had errors totalling \$117,034.00, which had the effect of decreasing the tender sum. The Contractor when contacted, negotiated a reduction of \$58,517.00 of the error if a contract is entered into.

KEY: GOJ = Government of Jamaica; US-AID = United States Agency for International Development; HMIP = Health Management Improvement Programme;
GCC = Government Contracts Committee; Adj. = Adjustment; PC = Prime Cost; Prov. Sums = Provisional Sums

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APPENDIX1-7-4.....

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	- CHAPELTON HEALTH FACILITY	CONT'D		e) Implementation	<p>This offer was accepted by the Ministry. The Consultant recommended that <u>both tenders</u> be rejected and the offer be accepted, which was supported by the GCC and approved by Cabinet.</p> <p>Prior to the works being started in March 1988, the Contractor provided the necessary insurances and performance bond. During the contract period the Contractor encountered problems because of <u>poor planning</u>. The works proceeded at a slow pace. Hospital staff had to be constantly relocated. The Contractor did not provide a site office - he had labour problems, shortage of building materials and site security was negligible; therefore site theft was inevitable.</p> <p>Hurricane 'Gilbert' struck in September 1988, instituting extension of time to January 1989, after which the Contractor was penalised under the liquidated and ascertained damages clause - period 22/2/89 - 10/12/89.</p>

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CONTRACTOR-GENERAL'S OFFICEMONITORINGFINAL REPORT ON CONTRACT SERVICES

APPENDIX ...1:7:4....

1	2	3	4	5	6																								
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S																								
MINISTRY OF HEALTH -	CHAPELTON HEALTH FACILITY	CONT'D			<p>A sum totalling \$52,199.38 was deducted from the Contractor's payment (valuation 11/12/89).</p> <p><u>Estimated Final Cost of Project</u></p> <table><tr><td>Contract Sum</td><td>\$1,832,803.59</td></tr><tr><td>Less Contingencies</td><td><u>91,000.00</u></td></tr><tr><td></td><td>\$1,741,803.59</td></tr><tr><td>Add Variations</td><td><u>733,325.60</u></td></tr><tr><td></td><td>\$2,297,129.19</td></tr><tr><td>Less Prov. Sums</td><td><u>178,000.00</u></td></tr><tr><td></td><td>\$2,297,129.19</td></tr><tr><td>Add:</td><td></td></tr><tr><td>Labour/Material Increases</td><td>193,276.47</td></tr><tr><td>Loss & Expenses Due to Extension</td><td><u>58,900.00</u></td></tr><tr><td></td><td>\$2,549,305.66</td></tr><tr><td></td><td>=====</td></tr></table> <p>4/....</p>	Contract Sum	\$1,832,803.59	Less Contingencies	<u>91,000.00</u>		\$1,741,803.59	Add Variations	<u>733,325.60</u>		\$2,297,129.19	Less Prov. Sums	<u>178,000.00</u>		\$2,297,129.19	Add:		Labour/Material Increases	193,276.47	Loss & Expenses Due to Extension	<u>58,900.00</u>		\$2,549,305.66		=====
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APPENDIX ...J:7:4..

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	CHAPELTON HEALTH FACILITY	CONT'D			<p>Hurricane damage, labour and material increases and loss of time have contributed to the cost overrun.</p> <p>Approximately 39% above the original contract cost.</p> <p>This contract should have been retendered from the mere fact that the awardee became the sole competitor.</p> <p>The procedure for the award was no longer competitive but negotiated.</p> <p>It is irregular to negotiate with contractor E.B. Singh in this way. The rule is, the contractor either stands by his tender figure or withdraws it. The G.C.C. should not have supported this suggestion by the contractor. The Cabinet was wrongly advised.</p>

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APPENDIX 1-7-4

PROGRAMME: HEALTH MANAGEMENT IMPROVEMENT PROJECT

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH [Executing Agency] Health Management Improvement Programme [Implementing Agency]	Chapelton Health Facility The works consist of alteration and renovation to various existing buildings at Chapelton Hospital renamed Health Facility. Contractor: E.B. Singh & Sons Ltd Consultant: Alberga Graham Jamaica -Architects & Quantity Surveyors- Type of Contract: Negotiated Contract	Original Contract Sum: \$1,832,803 Q.S's Estimate: \$1,788,992 Total Final Cost: \$2,549,305 Cost Overrun: \$716,502 - 39% Funding: GOJ 25% US-AID 75%	Completed Original Contract Period: Six (6) months Commencement Date: March 1988 Original Completion Date: September 1988 Revised Date: January 1989 Final Completion Date: December 1989 Time Overrun: Fifteen (15) months	Reviewed: a) Selection of Consultants b) Selection of Contractors c) Opening of Tenders d) Evaluation & Award of Contract	Consultants were selected in accordance with GOJ/US-AID procedures. The five (5) contractors invited to tender were taken from a prequalified list of contractors of the Ministry of Construction (Works). Of the five (5) invitees, only two (2) responded and the record of tenders opened was not signed by the members present at the opening. Of the two (2) tenders opened, Garan-Tee Construction's tender of \$2,275,897.00 was considered very excessive and an evaluation was not done. E.B. Singh & Sons Ltd's tender of \$1,891,320.00 had errors totalling \$117,034.00, which had the effect of decreasing the tender sum. The Contractor when contacted, negotiated a reduction of \$58,517.00 of the error if a contract is entered into.

KEY: GOJ = Government of Jamaica; US-AID = United States Agency for International Development; HMIP = Health Management Improvement Programme;
GCC = Government Contracts Committee; Adj. = Adjustment; PC = Prime Cost; Prov. Sums = Provisional Sums

2/....

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APPENDIX ...1-7-4....

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	- CHAPELTON HEALTH FACILITY	CONT'D		e) Implementation	<p>This offer was accepted by the Ministry. The Consultant recommended that <u>both tenders</u> be rejected and the offer be accepted, which was supported by the GCC and approved by Cabinet.</p> <p>Prior to the works being started in March 1988, the Contractor provided the necessary insurances and performance bond. During the contract period the Contractor encountered problems because of <u>poor planning</u>. The works proceeded at a slow pace. Hospital staff had to be constantly relocated. The Contractor did not provide a site office - he had labour problems, shortage of building materials and site security was negligible; therefore site theft was inevitable.</p> <p>Hurricane 'Gilbert' struck in September 1988, instituting extension of time to January 1989, after which the Contractor was penalised under the liquidated and ascertained damages clause - period 22/2/89 - 10/12/89.</p>

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APPENDIX ...1-7-4...

1	2	3	4	5	6																								
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S																								
MINISTRY OF HEALTH -	CHAPELTON HEALTH FACILITY	CONT'D			<p>A sum totalling \$52,199.38 was deducted from the Contractor's payment (valuation 11/12/89).</p> <p style="text-align: right;"><u>Estimated Final Cost of Project</u></p> <table><tr><td>Contract Sum</td><td style="text-align: right;">\$1,832,803.59</td></tr><tr><td>Less Contingencies</td><td style="text-align: right;"><u>91,000.00</u></td></tr><tr><td></td><td style="text-align: right;">\$1,741,803.59</td></tr><tr><td>Add Variations</td><td style="text-align: right;"><u>733,325.60</u></td></tr><tr><td></td><td style="text-align: right;">\$2,297,129.19</td></tr><tr><td>Less Prov. Sums</td><td style="text-align: right;"><u>178,000.00</u></td></tr><tr><td></td><td style="text-align: right;">\$2,297,129.19</td></tr><tr><td>Add:</td><td></td></tr><tr><td>Labour/Material Increases</td><td style="text-align: right;">193,276.47</td></tr><tr><td>Loss & Expenses Due to Extension</td><td style="text-align: right;"><u>58,900.00</u></td></tr><tr><td></td><td style="text-align: right;">\$2,549,305.66</td></tr><tr><td></td><td style="text-align: right;">=====</td></tr></table> <p style="text-align: right;">4/....</p>	Contract Sum	\$1,832,803.59	Less Contingencies	<u>91,000.00</u>		\$1,741,803.59	Add Variations	<u>733,325.60</u>		\$2,297,129.19	Less Prov. Sums	<u>178,000.00</u>		\$2,297,129.19	Add:		Labour/Material Increases	193,276.47	Loss & Expenses Due to Extension	<u>58,900.00</u>		\$2,549,305.66		=====
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APPENDIX ...1:7:4...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	- CHAPELTON HEALTH FACILITY	CONT'D			<p>Hurricane damage, labour and material increases and loss of time have contributed to the cost overrun.</p> <p>Approximately 39% above the original contract cost.</p> <p>This contract should have been retendered from the mere fact that the awardee became the sole competitor.</p> <p>The procedure for the award was no longer competitive but negotiated.</p> <p>It is irregular to negotiate with contractor E.B. Singh in this way. The rule is, the contractor either stands by his tender figure or withdraws it. The G.C.C. should not have supported this suggestion by the contractor. The Cabinet was wrongly advised.</p>

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APPENDIX ...:7:5...

FINAL REPORT ON CONTRACT SERVICES

PROGRAMME: GOJ/US-AID - HEALTH MANAGEMENT IMPROVEMENT PROJECT

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH [Executing Agency] Health Management Improvement Programme [Implementing Agency]	Alteration and Renovation to Various Hospital Buildings at ULSTER SPRING HEALTH FACILITY, Trelawny Contractor: Woon & Associates (Montego Bay) Consultants: Michael Carter & Associates (Architects) Davidson Hanna (Quantity Surveyors) Type of Contract: Selective Tendering	Original Contract Sum: \$2,171,362 Quantity Surveyor's Estimate: \$2,278,470 Revised Cost: \$2,752,774 Final Cost: \$3,045,042 - 40% Funding: US AID - 75% GOJ - 25%	Project completed Original Contract Period: Seven (7) months Commencement Date: October 3, 1988 Original Completion Date: May 2, 1989 Revised October 3, 1988 - August 2, 1989 Revised October 3, 1988 - November 7, 1989 Final Completion Date: December 1989 Time Overrun: Seven (7) months	Reviewed: a) Selection of Consultants b) Selection of Contractors c) Invitation, Receipt & Opening of Tenders d) Evaluation & Award of Contract	Consultants were selected in accordance with GOJ/US AID procedures. The Ministry of Health selected the contractors from a prequalified list prepared by the Ministry of Construction (Works). The MOH's list was relayed to the Consultants who then invited tenders from the three (3) selected contractors with the usual instructions. On the day of the opening, only two (2) responded. Tenders were opened in the presence of members of the GCC, representatives of HMIP and US-AID. Both tenders were checked for responsiveness and arithmetical accuracy. Both contained arithmetical errors but in the opinion of the Consultants, no serious imbalance was created. Both tenders were 2/....

KE1. GOJ = Government of Jamaica; US-AID = United States Agency for International Development; HMIP = Health Management Improvement Programme;
GCC = Government Contracts Committee; Adj. = Adjustment; PC = Prime Cost; Prov. Sum = Provisional Sum; MOH = Ministry of Health

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APPENDIX ...1:7:5...

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	ULSTER SPRING HEALTH FACILITY	CONT'D		e) Implementation	<p>priced consistently and competitively throughout and compared favourably with the Consultants' estimate. The lowest responsive bidder was recommended for the contract by both the GCC and MOH, and later approved by Cabinet.</p> <p>The Contractor took possession of the site in August 1988, with a mobilization period of five (5) weeks. He was given a mobilization advance of \$212,739.00. He furnished his securities as insurances, etc., and the works were started on 3/10/88, with a contract period of seven (7) months. At the end of the original contract period the work was incomplete and a twelve (12) week extension of time was approved to August 1989. The work was still incomplete at this time and a further extension of fourteen (14) weeks given to November 1989.</p> <p>3/....</p>

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	ULSTER SPRING HEALTH FACILITY	CONT'D			<p>During the construction period the Contractor experienced problems:-</p> <ul style="list-style-type: none"> i) constant relocation of hospital staff; ii) difficulty in obtaining building materials (after Hurricane Gilbert); iii) inclement weather; iv) theft from the site; v) poor quality local labour; vi) payment delays. <p>A proper work programme schedule was not provided until February 1989.</p> <p style="text-align: right;">4/....</p>

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MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH	ULSTER SPRING HEALTH FACILITY	CONT'D		f) Final Cost of Project	<p>Original Cost \$2,271,362.24</p> <p>Add:</p> <p>Adj. to PC & Prov. Sums 389,428.61</p> <p>Re-measurements & Variations <u>1,347,775.59</u></p> <p>\$3,908,566.44</p> <p>Less:</p> <p>Omission <u>1,245,447.05</u></p> <p>\$2,663,119.39</p> <p>Add:</p> <p>Labour/Material Increase 324,165.32</p> <p>Additional Preliminaries <u>57,758.10</u></p> <p><u>\$3,045,042.81</u></p> <p>=====</p> <p>Overrun - \$873,680.00 . Approximately 40%.</p> <p>Cost overrun is due mainly to variations, labour and material increases, increases in preliminaries and additional work.</p> <p align="right">5/....</p>

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	ULSTER SPRING HEALTH FACILITY	CONT'D			<p>During the evaluation and award process, it was observed that the winning bidder's name was not included on the US AID's list of contractors and the agency requested explanation. The prequalification documents were sent to the agency on 2/6/88, after the contract was recommended.</p> <p>The Consultants, during the evaluation process, instead of just comparing totals with the estimate provided by the Quantity Surveyor, should have commented on the electrical works which for the Contractor was \$96,638.00 below that of the Quantity Surveyor's based upon the job being done to this type of building nearly forty (40) years old or more.</p>

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APPENDIX 1:8:1....

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PROGRAMME: POPULATION & HEALTH PROJECT #1 - GOJ/IBRD

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH [Executing Agency] Urban Development Corporation Limited [Implementing Agency]	Construction of Office Block for National Family Planning Board at 5 Sylvan Avenue, Kingston 5 Contractor: B & H Structures Limited Consultant: Urban Dev. Corp. Ltd/C.A. Roach Associates -Quantity Surveyors- Type of Contract: Public Tendering	Original Cost: \$3.47M Revised: \$4.20M Revised April 1991: \$5.42M Quantity Surveyors' Estimate \$3.59M Final Cost Projection: 5.0 M Cost Overrun: \$1.53M or 43% Funding: GOJ/IBRD Loan #2581JM	Completed Commencement Date: October 26, 1989 Original Completion Date: August 25, 1990 Contract Period: Ten (10) months Actual Completion Date: May 1991 Time Overrun: Nine (9) months	Reviewed: a) Selection of Consultants b) Selection of Contractors	The UDC entered into an agreement with the Ministry of Health to undertake all works including professional and admin- istrative cost for a fee of 12½% of the construction cost. In this case, three (3) separate "calls" to bid were issued. Firstly, tenders were opened May 27, 1988 and a contractor selected but since the procedure required public tendering, <u>the UDC was instructed to withdraw the</u> <u>tenders.</u> Selective tendering does not conform with guidelines set by the World Bank. In the second "call" a public invitation was issued. On opening day, February 21, 1989, two (2) tenders were recorded and evaluated. It was recommended that the lower bid be accepted but it was later discovered by the UDC that the electrical works were not properly priced.

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KEY: GOJ = Government of Jamaica; IBRD = International Bank for Reconstruction & Development; UDC = Urban Development Corporation;
 GCC = Government Contracts Committee; PC = Prime Cost; Prov. Sum = Provisional Sum; Adj = Adjustment

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	POPULATION & HEALTH PROJECT #1 NATIONAL FAMILY PLANNING BAORD CONT'D			c) Invitation, Return & Opening of Tenders, Evaluation & Award of Contract	<p>Both tenders were taken before the GCC for consideration and here <u>both were rejected</u>.</p> <p>Again there was another public notice of invitation to tender and sixteen (16) contracting firms applied.</p> <p>On the tender opening date, June 2, 1989, the bids were subjected to a pre-qualification exercise and only six (6) of the sixteen (16) qualified.</p> <p>The three (3) lowest tenders were examined for responsiveness and checked for arithmetical accuracy. B & H Structures Company Limited, the lowest tender of \$3.477M, had accumulated error which would reduce the tender sum by \$129.35.</p> <p>3/....</p>

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APPENDIX

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	POPULATION & HEALTH PROJECT #1 NATIONAL FAMILY PLANNING BOARD CONT'D			d) Securities	<p>NESCo Construction Company Limited the second lowest tender of \$3.750M, had accumulated errors which would increase the tender sum by \$40,339.59.</p> <p>Electrical Mechanical Systems Limited the third lowest tender of \$3.732M, had no errors but the rates were very high.</p> <p>It was therefore recommended that the lowest evaluated responsive bid be accepted. This recommendation was supported by the GCC and later approved by Cabinet.</p> <p>The Contractor provided the required performance bond, insurances, tax certificate and mobilization bond for a loan of \$347,711.00, 10% of the contract sum.</p> <p>4/....</p>

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	POPULATION & HEALTH PROJECT #1 NATIONAL FAMILY PLANNING BOARD CONT'D			e) Implementation	<p>Work commenced in October 1989, and continued to completion in May 1991, with a time overrun of nine (9) months.</p> <p>Problems experienced by the Contractor during the construction period were:-</p> <ul style="list-style-type: none"> i) the site was too small, hence there was no adequate storage facility; ii) obtaining building materials on time; iii) the proposed light-weight roof had to be re-designed to concrete to facilitate a proposed third floor. <p style="text-align: right;">5/....</p>

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APPENDIX .! :8:1.....

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	POPULATION & HEALTH PROJECT #1 NATIONAL FAMILY PLANNING BOARD CONT'D				<p style="text-align: center;"><u>FINAL COST PROJECTION</u></p> <p>Contract Sum \$3,477,119.70</p> <p>Adj. of PC & Prov sums \$435,424.01</p> <p>Variations:</p> <p style="padding-left: 40px;">Main Contractor 189,421.18</p> <p style="padding-left: 40px;">Nominated Sub- Contractor <u>398,478.63</u> 1,023,323.82</p> <p>Fluctuations:</p> <p style="padding-left: 40px;">Main Contractor-</p> <p style="padding-left: 80px;">Labour 110,000.00</p> <p style="padding-left: 80px;">Material <u>230,000.00</u> <u>508,840.36</u></p> <p>Projected Final Cost \$5,009,283.88 or 43% increase</p> <p style="text-align: right;">=====</p> <p style="text-align: right;">6/.....</p>

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APPENDIX ...!8!...

FINAL REPORT ON CONTRACT SERVICES

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	POPULATION & HEALTH PROJECT #1 NATIONAL FAMILY PLANNING BOARD	CONT'D			<u>OBSERVATIONS</u> 1. In the first selection of contractors the UDC should have known that whenever World Bank loan is involved, competitive bidding is the criteria; 2. In the second selection of contractors it was noted that one tender was incomplete. The GCC deliberated and rejected both tenders; 3. Cabinet had also approved \$0.141M to cover increases in labour cost, making a total contract sum of \$3.61M; 4. Application has been made to Cabinet for approval of an additional increase of \$1,802,178.01, making a total contract sum of \$5.42M. 7/....

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF HEALTH -	POPULATION & HEALTH PROJECT #1 NATIONAL FAMILY PLANNING BOARD	CONT'D			<p>5. The project dates back to May 1989, hence it has been affected by a number of price movements and devaluation of the Jamaica dollar;</p> <p>6. Variations account for 29% increase in contract sum, while fluctuation in labour and material account for 14% increase in contract sum;</p> <p>7. There has been two (2) separate project Architects on the project. As a result, variations were effected to reflect their differing styles. These variations were some of the reasons for the delay of the project.</p> <p>Final Account is still awaited.</p>

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APPENDIX ...7:(...

PROGRAMME: FREEZONE COMPLEX, SPANISH TOWN, ST. CATHERINE

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
URBAN DEVELOPMENT CORPORATION (U.D.C.)	<p>Proposed Freezone Complex, Spanish Town, St. Catherine</p> <p><u>Type of Contract:</u> Negotiated</p> <p><u>Consultants:</u> Beckford & Dixon Ltd. Consulting Engineer</p> <p><u>Scope of Work</u> Construction of boundary wall, marl fill site to accommodate 240,000 sq ft factory space.</p> <p><u>Contractor:</u> L.C. McKenzie Construction Ltd.</p>	<p>\$9.85 million</p> <p><u>Final Cost:</u> 8,407,824.39</p> <p><u>Funding:</u> G.O.J./Export Development Corporation of Canada</p>	<p><u>Date Started:</u> 7.3.88</p> <p><u>Projected Date for completion:</u> 30/4/89</p> <p><u>Completion Date</u> 6.9.88</p> <p>Work suspended indefinitely - 95% completed</p>	<p>Contract negotiated and signed - 7/3/88</p>	<p>In the monitoring process, there was evidence of poor standard of work and the contractor did not perform creditably.</p> <p>The contract overrun sixteen (16) months.</p> <p>Enough feasibility studies and planning were not done, thereby causing unnecessary problems and variation cost. Interim Payment Certificates were not honoured on time. Financial and accounting control by agency is an area of concern.</p> <p>A contract for over \$9 million should be negotiated with more than one contractor or awarded by competitive and responsive tendering. This is not a specialist type of work. There is no indication that time was the essence for executing the contract. It is therefore a breach of the code of conduct for awarding of this contract.</p>

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APPENDIX ...1:0:1...

PROGRAMME: POLICE FORENSIC LABORATORY FOR CRIME DETECTION

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1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
<p>MINISTRY OF NATIONAL SECURITY</p> <p>Executing Agency:</p> <p>MINISTRY OF CONSTRUCTION (WORKS)</p>	<p>To construct Police Forensic Laboratory two (2) storey building reinforced concrete block and terrazzo floor tiles.</p> <p><u>Contractor:</u> Cameron Engineering Limited</p> <p><u>Consultants:</u></p> <p>1) Alberga Graham (Architect - Jamaica)</p> <p>2) Precon Consultants (Civil Engineering)</p> <p>3) Nelson Walters (Electrical Engineer)</p>	<p>\$4.3 million</p> <p><u>Final Cost:</u> \$7,696,873.37</p> <p><u>Variations:</u> \$3,396,872.63</p> <p><u>Funding:</u> Government of Jamaica</p> <p>Overrun - 79%</p> <p>Quantity Surveyor's Estimate \$4,448,953.00</p>	<p>Project 100% completed</p> <p><u>Date Started:</u> November 15, 1988</p> <p><u>Original Completion Date</u> November 14, 1989</p> <p><u>Contract Period:</u> Twelve (12) months</p> <p><u>Revised extended Completion Date</u> November 30, 1990</p> <p><u>Securities:</u> All necessary Bonds and insurances were submitted by the contractors</p>	<p>1) Selection of Consultants</p> <p>2) <u>Prequalification Documents</u> All necessary pre-qualification documents were duly executed.</p> <p>3) Selection of Contractors</p> <p>4) Invitation to contractors, Receipt and opening of tender</p> <p>5) Evaluation of tender award of contract</p> <p>6) Cabinet's approval Sept. 5, 1988</p>	<p>The building is professionally designed and will facilitate the working requirements for the Forensic Science Laboratory.</p> <p>The initial estimate provided did not reflect the perception of the project. Consequently, the progress of the project was not executed in a diligent manner.</p> <p>Payments were not made on time. There is an overrun in time of twelve (12) months. Practical Completion Certificate effected November 22, 1990.</p>

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APPENDIX ...1:11:1...

PROGRAMME: CONSTRUCTION OF STORES AND SPORTS CLUB

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
MINISTRY OF MINING AND ENERGY JAMAICA PUBLIC SERVICE COMPANY LIMITED	Construction of Rein- forced concrete Stores and Sports Club, May Pen, Clarendon. <u>Type of Contract</u> Bill of Quantities Contract <u>Contractor:</u> Bernard's Construction and Maintenance Ltd.	<u>Contract Sum</u> \$489,003.98 <u>Engineering Estimate</u> \$496,241.00 <u>Funding</u> Local Government of Jamaica <u>Final Cost</u> \$489,003.98	Project Completed 100% <u>Date Started</u> June 6, 1990 <u>Date for Completion</u> October 30, 1990 <u>Period for Comple- tion:</u> Twenty (20) weeks <u>Actual Completion Date:</u> October 22, 1990	1) Selection of Contractors 2) Evaluation of Tender 3) Award of Contract 4) Signing of Contract 5) Final Payment <u>Security Document</u> Insurance Policy submitted	The performance of the contractor was quite satisfactory. The project was professionally managed and the standard of the work is of high quality. There were no variations which of course demonstrates a reasonable level of management and control on the project. No Compliance Certificate from contractor on J.P.S. office file.

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PROGRAMME: CONSTRUCTION OF CONSTANT SPRING POST OFFICE - ST. ANDREW

1	2	3	4	5	6
MINISTRY OR PUBLIC BODY	PROJECT DESCRIPTION	CONTRACT AMOUNT OR ESTIMATED COST	STATUS OF PROJECT	ACTION TO DATE	R E M A R K S
PUBLIC UTILITIES AND TRANSPORT Executing Agency: MINISTRY OF CONSTRUCTION (WORKS)	Construction of Constant Spring Post Office, St. Andrew, with necessary facilities <u>Consultants:</u> Mastyn Campbell Architect/Planner Associates <u>Engineer:</u> Hue Lyew Chin Assoc. <u>Electrical Engineers:</u> Desmond Marks E & M Associates <u>Quantity Surveyor</u> G. Lloyd Tulloch & Assoc. <u>Contractor:</u> Stresscon (Ja.) Ltd. <u>Type of Contract</u> Negotiated	\$2.5 million <u>Final Cost:</u> \$4.6 million <u>Overrun Cost:</u> \$2.1 million (84%) <u>Funding:</u> Government of Jamaica <u>Quantity Surveyor's</u> <u>Estimate:</u> \$2,780,000.00	Project completion 100% <u>Original Date Started</u> 27.5.88 <u>Completion Date:</u> 2.1.89 <u>Contract Period:</u> Nine (9) months <u>Revised completion Date:</u> July 1989 <u>Time Overrun</u> Six (6) months	1) Procedures reviewed 2) Consultants selected	The Planning and objective of the project were professionally conceived. The design concept is in keeping with its utilization and comfort to the public. Stresscon (Ja.) Ltd was selected from four (4) prequalified firms for a negotiated contract and provide requisite securities. Increased cost for completion was due to variation and escalation in materials. However, there was a lack of effective economic forward planning. The quality of work done was of good standard and satisfactory.