

NATIONAL HIGHWAY AUTHORITY

CONFIRMED MINUTES

Subject: **The 362nd Meeting of the NHA Executive Board Held on July 10, 2021 at Islamabad**

Introduction

The 362nd meeting of the National Highway Authority's Executive Board held at 1000 hours on July 10, 2021 at the Auditorium of NHA Headquarters, Islamabad. Capt. (Retd.) Muhammad Khurram Agha, Chairman, NHA presided over the meeting.

The meeting commenced with recitation of verses from the Holy Quran.

Opening Remarks

The Chairman extended warm welcome to the participants of the meeting.

The Chairman allowed Secretary, NHA to start formal Board proceedings on the agenda. The Secretary, NHA introduced Mr. Nazar Muhammad Bozdar, Member (Finance), NHA. He informed that Mr. Bozdar is attending first meeting as Member of this august forum. The Board warmly welcomed Mr. Bozdar as Member of NHA Executive Board and stated that his active participation and valuable guidance will help in the effective decision making process.

Formal Board Proceedings

Agenda Items

The Secretary, NHA apprised the Board that agenda consists of ten (10) items. Agenda item No. 06 withdrawn on the request of concerned Member (Motorways South).

Agenda Item 1

Confirmation of Minutes: 361st Meeting of Executive Board held on June 21, 2021

Decision

The NHA Executive Board confirmed minutes of the 361st Executive Board meeting held on June 21, 2021.

Action By : Secretary, NHA

Agenda Item 2

Award of Agreement for Consultancy Services for Design Review and Construction Supervision for Rehabilitation & Upgradation of Jhaljao-Bela Road (80 KM)

Decision

The NHA Executive Board approved the award of Agreement for “Consultancy Services for Design Review and Construction supervision for Rehabilitation & Upgradation of Jhaljao – Bela Road (80 KM)” to “M/s NESPAK (Pvt.) Ltd. in JV with M/s New Vision Engineering Consultant and M/s AI Engineers Pakistan (Pvt.) Ltd.”, the successful Consultant in the Combined evaluation at evaluated cost of Rs.185,040,377/- (Rupees one hundred eighty-five million, forty thousand and three hundred seventy-seven only) (which includes Salary Cost, Direct Non-Salary Cost and all type of applicable taxes including GST @ 17%).

Action By : Member (Planning)

Agenda Item 3

Award of Two (02) Rehabilitation Works Pertaining to Khyber Pakhtunkhwa Region as per Approved AMP 2018-19

Decision

The NHA Executive Board approved the award of Two (02) No. Rehabilitation Works for Khyber Pakhtunkhwa Region under (AMP 2018-19) to the following lowest evaluated bidders with the condition that the lowest evaluated bidder shall provide/furnish 10% additional

Performance Security in addition to Performance Security(10%) stipulated in “Appendix-A to Bid” as per Clause IB-28.4:

<u>Contract No.</u>	<u>Engineer's Estimate (Rs.)</u>	<u>Lowest Evaluated Bidders</u>	<u>Final Evaluated Lowest Bid (Rs.)</u>	<u>% Variance w.r.t. Engineer's Estimate</u>
RH-KPK-2018-19-01	517,385,041.20	M/s Hizbullah Khan Gandapur – M/s New Khan Builders (JV)	340,491,095.61	34.190 Below
RH-KPK-2018-19-02	517,385,041.20	M/s Rustam Associate – M/s Nasrullah Miankhel & Sons (JV)	314,518,366.55	39.210 Below

The Board directed Member (Engg. Coord) to present status of Annual Maintenance Plans (AMPs) for the last three years in next Board meeting.

Action By : Member (North Zone)/Member (Engg. Coord)

Agenda Item 4

PC-I for Construction of New Bridge with Approach Roads Between Sukkur and Rohri Over River Indus

The NHA Executive Board deferred the subject agenda item with the direction to resubmit a comprehensive working paper covering information pertaining to all aspects of PC-I.

Action By : Member (Planning)

Agenda Item 5

Approval of Addendum No. 02 in the Contract Agreement of M/s ACC for Inclusion of Additional Work Required by World Bank to Preliminary Design the Road linking Peshawar Torkham Motorway to N-5 & N-55 out of Saving in the Original Amount of Peshawar Kabul Motorway Project

The NHA Executive Board deferred the subject agenda item with direction to resubmit a comprehensive working paper covering information pertaining to all aspects of the case.

Action By : Member (Planning)

Agenda Item 6

Revised PC-I for Construction of Lahore Sialkot Motorway Project (LSMP)

The subject agenda item was withdrawn on the request of Member concerned.

Action By : Member (MWs South)

Agenda Item 7

Report of Committee Constituted by Executive Board in its 353rd Meeting Held on April 15, 2021 on “Selection Criteria, Appointment Procedure & Remuneration for Appointment of "The Engineer" on NHA Projects”

Decision

The NHA Executive Board approved selection criteria, appointment procedure & remuneration for appointment of "The Engineer" on NHA's Projects as recommended by the Board's Committee as detailed below:

- a. Selection Criteria for “The Engineer”. The selection criteria for appointment of "The Engineer" should be based on the engineering qualification, general and specific experience, understanding of FIDIC type Contract implementation and international affiliations with arbitration and claim management forums. These mandatory requirements are explained in the following paragraphs:
 - i. Basic general qualification is Civil Engineering. Post graduate degree in the relevant field shall be preferred.
 - ii. The candidate must be associated with formulation of civil engineering contracts, implementation and interpretation.
 - iii. Mandatory experience in Alternate Dispute Resolution (ADR) and Arbitration mechanisms.

- iv. Association/membership with Claims & Dispute forums at national/international level.
- v. A clean and proven track record in previous positions held in contract management or acting as "The Engineer".
- vi. Must have in general a good reputation in the industry.
- vii. Enjoy a good health with mobility and sound communication, writing and computer skills.
- viii. The applicants should manifest the above in their CV with reference to Project and the Employer.
- ix. The CV of the applicant will be assessed as per following scoring:

<u>Sr. No.</u>	<u>Qualification</u>	<u>Assigned Score</u>
i.	Civil Engineering Degree	10
ii.	Masters and above Degree	5
iii.	General Civil Engineering experience	10
iv.	Specific experience in Highways/ Motorways/Tunnels/ Bridges etc.	20
v.	Experience in Alternate Dispute Resolutions	15
vi.	Past experience working as The Engineer/Contract Manager	25
vii.	General Reputation in Industry over life experience (minimum three references from Employers, 2 marks per reference)	10
viii.	NHA/MOC Retired Officer	05
ix.	Age	Minimum 40 years (must meet)
Note: Qualifying Marks are 60 and above.		

b. Educational Qualification and Experience

- i. Civil Engineering Degree. Bachelor's in

Civil Engineering from any accredited University.

- ii. Master's and above degree. Master's and above degree in Transportation/ Road Engineering /Structures or Construction/ Project Management from any accredited University.
- iii. General Experience in Civil Engineering. The Candidate must have experience of 20 years plus for BSc (Civil) or 15 years plus for MSc/PhD in Transportation/ Road Engineering/Structures. The General Experience required is related to Highways/Motorways/Bridges, etc. Building Experience acceptable maximum up to five years in overall minimum 20 years.
- iv. Specific Experience on Highways/ Motorways/Tunnels/Bridges. The candidate must have specific experience in construction of Highways/Motorways /Tunnels/Bridges, etc. works on minimum 05 contracts. Two marks for each contract will be awarded. The contract management experience as The Engineer, Resident Engineer and from Employer's side management formulation is acceptable.
- v. Experience in Alternate Dispute Resolutions. Experience in alternate dispute resolutions (ADR) is generally classified into at least four types: negotiation, mediation, collaborative law and arbitration. Experience essentially required in above fields. The candidate should give detail of his exposure to ADR activities as stated above. Experience shall be evaluated against

the suitability and size of the Project with specifics. Candidates affiliation with reputed international arbitration forums will be give high weightage.

- vi. Past Experience Working with NHA as The Engineer/ Contract Management. The candidate should clearly elaborate his work experience in road construction project as “The Engineer”, Contract specialist, or as Contract Manager from Employer's side. Achievements/success will be evaluated and score shall be assessed maximum up to 25 marks.
- vii. General Reputation in Industry Over Life Experience (Three references from Employers). The role of the Engineer is very crucial in administrative and financial matters during implementation phase of the Project. The general reputation of the candidate shall be assessed from his past experience and acts on previous projects, to the best effort of the Employer. Moreover, any certification awarded by the Employers reflecting upon the candidate’s general performance (letter of appreciation) will be given high weightage. Minimum three appreciations over the career are required. More the better, maximum five with 2 marks for each will be given.
- viii. NHA/MOC Retired Officer. Well reputed NHA/MOC officer retired in BPS 18 or above in Engineering Category will be given preference with additional 5 marks.
- ix. Age. Minimum 40 years (must meet).

- c. Short-listing Committee. As per requirement, the advertisement shall be published with wide circulation (two newspapers one Urdu and one English), to submit CV's. The advertisement shall be published under the approval of Member (Planning), NHA. The short-listing shall be done by following committee:
- i. Director (P&CA), NHA HQ
 - ii. Director (Construction), NHA HQ
 - iii. Deputy Director (Planning), NHA HQ
- d. Selection Committee. Following committee of NHA officials shall interview the candidates available in the pool and recommend the most suitable candidate to Member (Engg. Coord) for approval of appointment as "The Engineer":
- i. Member (Planning), NHA Chairman
 - ii. GM (Engg. Coord), NHA Member
 - iii. GM (Planning), NHA Member
 - iv. GM (P&CA), NHA Member
- e. The general advertisement to invite applications shall be published biannually to update the database of applicants for "The Engineer". Applications shall be received though post or uploaded on NHA's website.
- f. Any Engineer found in fraudulent practices will be immediately de-notified and blacklisted with intimation to PEC and other Government Departments, after approval of Chairman, NHA.
- g. Remuneration and Privileges.
- i. Rs.200,000 per month for Construction Contract up to Rs.5,000 Million (Maximum 2 No. of assignments can be

given to the individual).

- ii. Rs.400,000 per month for Construction Contract above Rs.5,000 Million.
- iii. "The Engineer" shall hire Quantity Surveyor (QS) and Computer Operator whose salaries shall be admissible as per the market rates maximum up to Rs.80,000 pm for QS and Rs.50,000 pm for Computer Operator (on production of evidence). (In case of 2 No. assignments, same staff will be utilized for both projects).
- iv. TA/DA will be admissible to "The Engineer" equivalent to BPS-20 of NHA officer.
- v. Project authorities shall provide vehicle to "The Engineer" during site visit (In case of non-availability, the rental vehicle will be permitted).
- vi. An additional amount maximum up to Rs.25,000/- per month be admissible to "The Engineer" on account of communications, stationary, courier charges, etc.

Action By : Member (Engg. Coord)/Member (Planning)

Agenda Item 8

Award of Agreement for Consultancy Services for Design Review and Construction Supervision of Nokundi - Mashkhel Road (103 Km)

Decision

The NHA Executive Board approved the award of agreement for "Consultancy Services for Design Review and Construction Supervision of Nokundi-Mashkhel Road (103 KM)" to "M/s Associated Consultancy Centre (Pvt.) Ltd. in JV with M/s Prime Engineering &

Testing Consultants (Pvt.) Ltd., M/s Republic Engineering Corporation (Pvt.) Ltd. and M/s Concept Engineering Services”, the successful Consultant in the Combined evaluation at evaluated cost of Rs.109,299,332/- (Rupees one hundred nine million, two hundred ninety-nine thousand, three hundred and thirty-two only) (which includes Salary Cost, Direct Non-Salary Cost and all type of applicable taxes including GST @ 17%).

Action By : Member (Planning)

Agenda Item 9

Extension in Contracts of Bus Bays on National Highways Till Fresh Procurement is Conducted

Decision

The NHA Executive Board approved extension in contracts of bus bays on National Highways up to October 15, 2021 at following locations:

	<u>Bus Bay</u>	<u>OM&MC</u>	<u>Commencement</u>	<u>Expiry</u>
1.	Muridke	M/s Sadaquat Bros & Co.	July 09, 2018	July 08, 2021
2.	Kamoke	M/s Sadaquat Bros & Co.	July 09, 2018	July 08, 2021
3.	Alam Chowk	M/s Sadaquat Bros & Co.	July 09, 2018	July 08, 2021
4.	Ghakhar	M/s Sadaquat Bros & Co.	July 09, 2018	July 08, 2021
5.	Kharian	M/s Khawaja Waqar Associates	May 11, 2018	June 30, 2021
6.	Sara-e-Alamgir	M/s Khawaja Waqar Associates	May 11, 2018	June 30, 2021
7.	Sohawa	M/s Jagal Construction & Ops Co.	July 17, 2018	July 16, 2021
8.	Gujar Khan	M/s Raja Asad Enterprises	June 28, 2018	June 27, 2021
9.	Mandra	M/s Tollink Pakistan	May 11, 2018	June 30, 2021
10.	Taxila	M/s Tollink Pakistan	May 11, 2018	June 30, 2021
11.	Hassanabdal	M/s Malik Traders	July 17, 2018	July 16, 2021
12.	Hattian	M/s Malik Traders	July 17, 2018	July 16, 2021
13.	Kamra	M/s Sadaquat Bros & Co.	July 17, 2018	July 16, 2021

Action By : Member (Finance)

Agenda Item 10

Report of Committee constituted by Executive Board in its 354th Meeting held on April 26, 2021 to Suggest Way Forward in Award of Contracts

Decision

The NHA Executive Board after deliberations on the recommendations given in Report of Committee constituted by Executive Board in its 354th meeting held on April 26, 2021 to suggest way forward in award of contracts approved following:

<u>Sr.</u>	<u>Issue</u>	<u>Committee's Recommendations</u>	<u>Board's Decision</u>
1.	To incorporate clause in "Instructions to Bidders" that in case of winning one or two packages of the same project advertised under one IFB, the bidder will not be entitled for award in remaining packages.	<p>a. The machinery output should be evaluated during technical evaluation and Clause 11.1 (a) be explicitly rephrased including the condition of the machinery.</p> <p>b. Key Personnel details shall also be sought individually for each package in case of winning multiple packages, before award of work.</p> <p>c. Maximum two packages be awarded to a contractor for the same project advertised under one IFB.</p> <p>d. Credit line facility of the Contractor must be verified from the issuing bank before the award.</p>	<p>a. The Board agreed to seek availability of construction machinery as per Construction Machinery Report for individual work. The requirement should be made part of the Bidding Document.</p> <p>b. The requirement of Key personnel for execution of each work shall be made part of the bid document and be evaluated by the bid evaluation committee.</p> <p>c. Before implementation the matter shall be referred to PPRA.</p> <p>d. Approved.</p>
2.	To analyze & study the factors that lead to very low bids comparing Engineer's Estimates.	<p>a. The CSR 2020 be adopted for Engineer Estimates as soon as possible.</p> <p>b. If the bid found less than 25% of the Engineer's Estimate the contractor must submit the rate analysis of the items quoted in his bids to check its correctness by Evaluation Committee.</p> <p>c. If the Evaluation Committee does not find the rate analysis appropriate the next bidder be considered for award.</p>	<p>a. The CSR 2020 be presented before the Board for approval.</p> <p>b. The board agreed with the current practice of seeking clarification for rate analysis as and when considered appropriate by the bid evaluation committee, when the bid rates are unbalanced or abnormally deviate from the EE.</p> <p>c. The Recommendation shall be referred to PPRA for opinion/ guidance.</p>
3.	Possibility of provision of bid security and performance security in the form of bank guarantee instead of	In the best interest of work, the Authority indicate in the instructions to bidder that the successful bidder would provide the Bid Guarantee & Performance Guarantee in the form of Call Deposit/Bank	<p>The Board decided as under:</p> <p>a. Bid security in the form of call deposit/Bank guarantee shall be obtained.</p>

<u>Sr.</u>	<u>Issue</u>	<u>Committee's Recommendations</u>	<u>Board's Decision</u>
	insurance guarantee.	Guarantee as in case of other departments like CDA, PWD, etc. PEC and PPRA be informed accordingly.	<p>b. For Performance Security, the bidder shall submit the Insurance or Bank Guarantee, as follow:</p> <p>i) For quoted bid price up to 10%, the Performance Security in the form of Insurance Guarantee/ Bank Guarantee shall be acceptable,</p> <p>ii) However, if the quoted bid price is further below 10%, the bidder shall have to provide additional performance security in the shape of Bank Guarantee only for the balance lower percentage.</p> <p>For instance, if a bid price appears 15% below the EE, the bidder shall have to provide performance security in two parts as follows;</p> <p>i) For the evaluated bid price up to 10% below the EE, Insurance Guarantee or Bank Guarantee,</p> <p>ii) For the remaining balance percentage that is 5%, only Bank Guarantee shall be admissible.</p>

Action By : Member (Planning)/Member (Engg. Coord)/
Member (Finance)/ Zonal Members

Additional Point

Payment of One Special Honoraria for the Executive Board and NHA Secretariat/PR Staff

Decision

The Board after deliberation unanimously approved payment of Special Honoraria equivalent to one meeting participation fee for participants of meeting as per practice/precedent to acknowledge their extra ordinary efforts for efficient disposal of NHA's business and grant of scheduled honoraria to the staff of Secretariat/Auditorium.

Action By : Secretary, NHA/Member (Finance)

Conclusion

The Chairman wrapped up the meeting by thanking the Board Members for their active participation and useful input.
