

MINUTES OF THE 24<sup>TH</sup> MEETING

MINUTES OF THE 24TH MEETING OF THE EXECUTIVE  
COMMITTEE OF THE BOARD OF GOVERNORS HELD ON  
9.9.1990 IN THE WORKS DIVISION AT 12.30 P.M.

The 24th meeting of the Executive Committee of the Board of Governors was held on the 9th September, 1990 at 12.30 P.M. in the Committee Room of the Works Division.

The following attended the meeting:-

1. Mr. Parvez Ahmad Butt, Chairman  
Secretary,  
Ministry of Housing and Works.
2. Mr. M.I. Rajput,  
Director General,  
Pak PWD.
3. Mr. Jalees Ahmad Siddiqui,  
Joint Secretary,  
Works Division.
4. Mr. Mohammad Samiullah,  
Joint Secretary,  
Cabinet Division,
5. Mr. Mohammad Yunus Khan,  
Deputy Secretary (Admn),  
Works Division.
6. Mr. Sarshar Ali Malik,  
OSD(P&EC),  
Works Division.
7. Dr Mohammad Rasool Khan,  
Director General,  
Housing Foundation,

The following also attended the meeting by special invitation:-

1. Mr. Masood Ali Zaidi,  
Chief Engineer (Planning),  
Pak PWD.
  2. Mr. Ghulam Hussain H. Memon,  
Acting Chief Engineer (North),  
Pak PWD.
  3. Mr. Moin Ahmad Siddiqi,  
Director, Administration,  
Housing Foundation.
  4. Mr. Abdul Hamid Arif,  
Director, Technical,  
Housing Foundation.
  5. Mr. Perviez Akhter,  
Assistant Director (Admn),  
Housing Foundation.
2. The Chairman asked the Director General, Housing Foundation, to explain briefly the actions taken in connection with the award of work for the construction of houses under the Housing Scheme for Federal Government employees on Ownership basis. Describing the details of tender action the Director

General, Housing Foundation reviewed the progress regarding the award of contract for the housing project out of his report "brief resume of the decisions/actions taken" in connection with the award of work (copy enclosed).

3. The details of procedure adopted for pre-qualifying the contractors and for the hiring of services of the Consultants were also explained by the Director General, Housing Foundation. He then elaborated upon the sequence of events that took place with regard to the floating of tenders, submission of the best and final offer and finally the negotiations held with the bidders. In this context he also mentioned the format of tender documents finally agreed upon i.e. the schedule of items of a "Basic House" and the "Optional Items" and stated that the rates received as per last negotiations held by the Technical Committee were as follows:-

- (i) Items of Basic House.....15% above.
- (ii) Optional Items...12% above.

It was also reported by the D.G. Housing Foundation, that there were only two bidders left, namely M/S ABAD and M/S Muhandaseen for the contract as the third party (M/S MASCO) has been deleted.

4. In reply to a query by the Chairman, the Director General, Pak PWD clarified that the negotiations with the contractors were carried out by him in his capacity as the Chairman of the Technical Committee in the presence of other members of the Committee except for the last negotiations which were carried out at Karachi by the Chief Engineer (South), Pak PWD, Karachi, in his capacity as one of the member, of the Technical Committee. Explaining the difference between open negotiations and negotiations with bidders only, he explained the procedure being adopted in Pak PWD and referred to the provisions in Executive Manual in this respect. The Chairman observed that <sup>the provisions in the</sup> Manual read out to him were not applicable because they did not relate to tenders obtained after pre-qualification. He expressed his surprise

that offers had been obtained from firms that were not even pre-qualified and negotiations were being carried out with them.

5. The Committee was informed that pursuant to the instructions of the Minister for Housing and Works to submit a clear cut recommendation at an agreed rate or to scrap the bids and re-tender, the whole matter was considered by the Technical Committee on 2.9.1990. The following decisions taken by it were read out to the members of the Executive Committee by the D.G. Housing Foundation:-

- (i) The list of BOQ items (Part A) for the Basic House, be amended in the light of para 5 above and to be treated as a compulsory part of the agreement.
- (ii) optional items (Part B) would form the remaining part of a complete house and to be carried out only when the request of the allottees are received for which a period of three months be allowed to exercise this option.
- (iii) The rates of 12% above scheduled items both for the basic house and the optional items be approved if agreed to by the bidders.
- (iv) Those allottees who would like to construct basement in their houses be allowed to do so, provided the design of such a basement be got vetted through the consultants of the Housing Foundation and assurance given that such work would be complete within four months through own arrangement of the allottees. Necessary adjustment in the cost of the house would be allowed after working out the modalities for the same.

6. The Executive Committee having considered and heard what has been done so far in order to get the rates reduced by the bidders decided as follows:-

- (a) Rates of 12% above the scheduled items both for the Basic House as well as the Optional, if agreed to by the bidders, should be approved.
- (b) The representatives of the bidders namely M/S ABAD and M/S Muhandaseen should be called for a meeting on 12.9.1990. If they do not agree to the rates at (a) above, re-tendering should be resorted to.
- (c) Work in packages costing approximately Rs.3 crores should be awarded to one contractor/ builder.
- (d) A detailed exercise should be made to list all the optional items in order to evaluate their impact on implementations of the scheme, its cost and possibility of disputes with the contractors. This exercise will be completed in the light of guidelines given by the Minister for Housing and Works.
- (e) A schedule may be worked out to complete the entire exercise in pursuance of the decisions mentioned above within the shortest possible time so that no further delay is caused in the commencement of the construction of houses.

7. The Chairman also desired that the details of the Army Scheme should be obtained in order to see what they have done with regard to their similar Scheme.

8. The meeting ended with a vote of thanks to the Chair.