

250th EXECUTIVE BOARD MEETING

(June 17, 2015)

AGENDA ITEMS

1	Confirmation of Minutes – 249 th Meeting of the Executive Board held on May 25, 2015
2	Revised Budget Estimate 2014-15 and Budget Estimate 2015-16
3	Up-dation on Projects of China Pakistan Economic Corridor (CPEC)
4	Award of Contract No. RH-RWP-14-15-Ph-01 Widening and Improvement with closed U-Turns from Rawat T-Chowk to Fauji Foundation Hospital Rawalpindi (Km 1524+450 to Km 1533+800) on N-5
5	Addendum No. 1 & 2 and EoT of M/s EGC: Flood Emergency Reconstruction Project for Design and Supervision, (North-package) Rehabilitation of Kohala Muzaffarabad Road S-2 and N-15 Kaghan Naran Jalkhad Road Loan No. 2742 ADB/FERP
6	Revised Addendum 03 of M/s ACE: Rehabilitation/ Reconstruction of Alpuri-Besham Section of National Highway (N-90) in District Shangla-KPK from 00+000 to Km 33+502
7	Addendum No. 6 of M/s LRA Group for Construction Supervision Consultants for Gwadar – Turbat - Hoshab Road Project M-8: Re-rating of Charge Rate
8	Addendum 1 of M/s ACC: Consultancy Services for “Feasibility Study & Detailed Design of Yakmach, Kharan Road”
9	Waiver of NHA ROW usage Rentals & Fees for laying of transmission line by ERRRA from 132 KV Grid Station Rampura, Muzaffarabad to Satellite Town Thotha
10	Writing Off Loss sustained by NHA: Theft/ Snatched of two Vehicles GA-9546 (Toyota Double Cabin) & IDJ-5271 (Toyota Corolla)
I	Revised Addendum 2 of M/s ACE: Detailed Design and Construction Supervision of Larkana Kamber Road Project
II	Addendum No. 4 of M/s ACC : Construction Supervision of Rehabilitation of Kamber to Shahdadkot Road Project
III	Rehabilitation of Chakdara – Fatehpur Section (82 Km) of National Highway N-95

Agenda Item No --- 1 ----

Confirmation of Minutes – 249th Meeting
of the Executive Board held on May 25, 2015

N
H
A

E
X
E
C
U
T
I
V
E

B
O
A
R
D

Confirmed minutes already have uploaded on NHA website

NATIONAL HIGHWAY AUTHORITY

Agenda Item. 2

Working Paper
For the NHA Executive Board

Subject: - **REVISED ESTIMATES 2014-15 & BUDGET ESTIMATES 2015-16.**

In compliance of Section 8 (d) of NHA Act 1991 (as amended in 2001) the Revised Estimates 2014-15 and Budget Estimates 2015-16 have been prepared in consultation with all the concerned Offices/Wings of NHA.

2. The Budget Estimates 2014-15 were cleared by NHA Executive Board in its 237th meeting held on 23rd July, 2014 with a total outlay of Rs.174,686 (Million) having development component of Rs.138,697 (Million).

REVISED ESTIMATES 2014-15

3. Total outlay of Revised Budget Estimates is Rs. 147,916 million against the Budget Estimates of Rs.174,686 million. It is approximately 15% less than the Budget Estimates primarily due to non-release of allocated PSDP funds against new projects.

I. **DEVELOPMENT (PSDP)**

a). Against the total PSDP allocation of Rs. 111,562 million local component was reduced to Rs.61,944 million as compared to Budget Estimates of Rs. 76,429 million. Similarly foreign currency component of PSDP also reduced to Rs. 25,143 million as compared to Budget Estimates of Rs. 35,133 million. Thus the total sources of funds including received through PSDP 2014-15 remained Rs.114,223 million.

b). Development expenditures including FC component remained at the level of Rs.114,223 million.

II**NON- DEVELOPMENT**

- a). Non-Development receipts for the year remained at Rs.33,693 million against the estimated receipts of Rs.35,989 million. The shortfall is basically due to less recovery of toll revenue adjustments and non refund of internal borrowings.
- b). During 2014-15 non development expenditures including road maintenance cost, operational charges, establishment expenditure and provision against Annual Maintenance Plan comes to Rs. 33,693.2 million.

BUDGET ESTIMATES 2015-16

4. Total outlay for the financial year 2015-16 is estimated to be Rs.195,843 million which includes development share of Rs.159,600 million (81%) and non development component of Rs.36,243 million (19%).

I**Development (PSDP)**

- a). In the Federal Budget 2015-16 the Government of Pakistan has allocated funds of Rs.159,600 million to NHA having following two components;
- | | | |
|-----|------------------|--------------------|
| i. | Local currency | Rs. 95,693 million |
| ii. | Foreign currency | Rs. 63,950 million |
- b). NHA's development portfolio includes 61 projects out of which 23 projects are ongoing, 9 projects are part of CPEC and remaining 29 are new projects.
- c). Total estimated establishment expenditures to be financed through PSDP projects are Rs. 1,596 million.

NON-DEVELOPMENT

a). Together with maintenance grants, the total estimated sources for the financial year 2015-16 are estimated at Rs. 36,243 million. These estimates mainly include revenue projection of Rs. 21,582 million through Toll Collection, Police & Weigh Fine etc. and Rs. 10,403 million provision against previous year Annual Maintenance Plan. Further an amount of Rs. 2,000 million is expected to be realized from other sources such as auctions, sale of tender documents, interest income etc.

b). Major portion of revenue against the estimated receipts will be utilized for the repair and maintenance of NHA's road network besides payment of operational charges and related establishment costs.

DECISION SOLICITED

5. The NHA Executive Board is requested to consider & recommend Revised Estimates 2014-15 and Budget Estimates 2015-16 for seeking approval of National Highway Council.

GOVERNMENT OF PAKISTAN

WORKING PAPER
for
NHA EXECUTIVE BOARD MEETING

**Up-dation on Projects of
China Pakistan Economic Corridor (CPEC)**



JUNE, 2015

NATIONAL HIGHWAY AUTHORITY
Procurement & Contract Administration Section
ISLAMABAD

**WORKING PAPER
FOR
NHA EXECUTIVE BOARD**

A Framework Agreement was signed on 20th April 2015 Between the Government of the People's Republic of China and the Government of the Islamic Republic of Pakistan regarding following major projects of China-Pakistan Economic Corridor (CPEC):

- i) Karachi – Lahore Motorway (KLM): Construction of Multan – Sukkur Section.
- ii) KKH Phase-II Project (Havelian – Thakot Section).

The updates on procurement status of aforesaid projects is as under:

i) **Karachi – Lahore Motorway (KLM), Construction of Multan – Sukkur Section:**

The project envisages construction of 387 KM long, 6 lanes Sukkur – Multan Section of Karachi – Lahore Motorway (KLM) including construction of bridges, interchanges, culverts, underpasses and other allied structures and service areas.

Embassy of Government of China in Pakistan has nominated firms given below for the construction of this project:

- a) M/s China State Construction Engineering Corporation
- b) M/s China Civil Engineering Construction Corporation
- c) M/s SINOHYDRO Corporation Limited

ii) **KKH Phase-II Project (Havelian – Thakot Section):**

The Section from Havelian to Thakot is a part of the Islamabad – Raikot project. The Havelian – Thakot section is divided in three segments based on the technical parameters and mobilization purposes. Its length is 120 KM Approx. It is located in the North of Pakistan starting from Havelian and traversing near the cities of Abbottabad, Mansehra and Shinkiari and terminates at Thakot.

Embassy of Government of China in Pakistan has nominated firms given below for the construction of this project:

- a) M/s China State Construction Engineering Corporation
- b) M/s China Communications Construction Company Ltd
- c) M/s China Civil Engineering Construction Corporation

Application of PPRA Rule-5:

As procurement of these works is restricted to only three Chinese firms for each as selected by Government of China, this implies the application of PPRA Rule-5 which reads as under:

“Whenever a sponsoring Ministry/Division is of the view that prospective procurement are required to be made by invoking rule-5 of Public Procurement Rules, 2004 it shall bring a case to the ECC after undertaking due consultation with the stakeholder Ministries / Divisions / Departments etc. as prescribed in the Rules of Business, 1973. The ECC shall consider such case(s) and authorize, or otherwise the sponsoring Ministry/Division whether or not to proceed in terms of rule-5 of the Public Procurement Rules, 2004”.

As per PPRA regulations, Rule-5 requires approval of ECC prior to its implementation. Summary in this respect has been forwarded to Ministry of Communications for onward submission to ECC on 11th June 2015.

Current Procurement Status:

Procurement of both projects has been initiated. Invitation letters have been sent to the selected bidders on 8th June 2015. Bidding schedule is as under:

Karachi – Lahore Motorway (KLM),

Construction of Multan – Sukkur Section (387 KM Approx.)

Bidding Documents will be issued to prospective bidders	...	12 th June 2015
Pre-Bid Meeting Date	...	25 th June 2015
Bid Submission / Opening Date	...	14 th July 2015

KKH Phase-II (Havelian - Thakot Section) Project (120 KM Approx.)

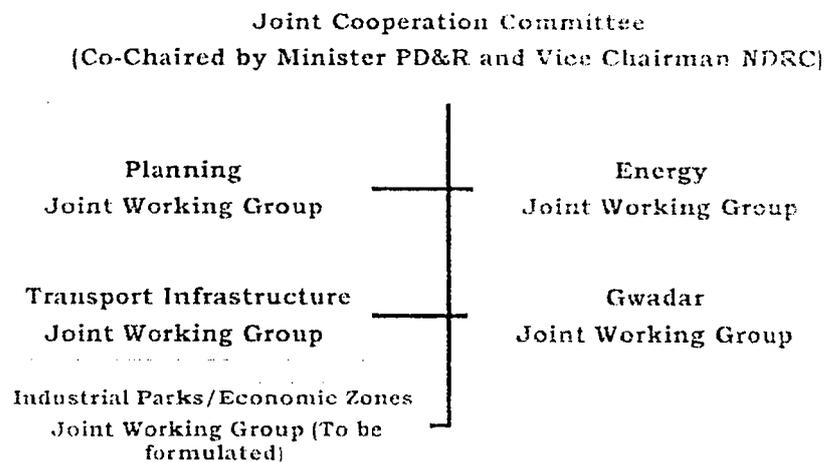
Bidding Documents are under preparation by M/s Asif Ali Associates.

Bidding Documents will be issued to prospective bidders	...	15 th June 2015
Bid Submission / Opening Date	...	10 th July 2015

CHINA - PAKISTAN ECONOMIC CORRIDOR
WORKING PAPER / PROJECT BRIEF
FOR NHA EXECUTIVE BOARD

China - Pakistan Economic Corridor (CPEC) is essentially a Development Corridor comprising of multiple components viz: Energy, Transport & Infrastructure, Gwadar Port, and Industrial Cooperation involving gigantic foreign investment. Once completely developed, this Corridor can bring revolution in energy & transport sector, transform Gwadar port into one of the most lucrative warm-water deep-sea ports of the world, change the fate of poverty-ridden and terrorism-stricken areas of Pakistan, and extensively flourish all major Industries of Pakistan. The benefits will also include enhanced national revenues, increased trade with Afghanistan (through Torkham and Chaman), and better direct access to Central Asian states. The Transport & Infrastructure component of CPEC shall provide an all-weather connection between Gwadar Port and China's north western region of Xianjiang via highways, railways and pipelines.

2. Prime Minister of Pakistan visited China in July 2013 which marked a new phase in the development of the relationship by putting economic cooperation and connectivity squarely at the center of bilateral agenda. MOU for development of CPEC was signed on 5th July 2013. The Ministry of Planning, Development & Reform (MPD&R) is the focal Ministry from Pakistan whereas its counterpart in China is National Development and Reform Commission (NDRC). The Institutional Framework for CPEC is such that 04 nos. Joint Working Groups (Planning, Energy, Transport & Infrastructure, and Gwadar) are operating under umbrella of Joint Cooperation Committee (JCC). The JCC is co-chaired by Minister PD&R and Vice Chairman of NDRC. Each JWG comprises of multiple Experts in the relevant field from Pakistan as well as China. Structure of JCC is as follows:-



CHINA - PAKISTAN ECONOMIC CORRIDOR
WORKING PAPER / PROJECT BRIEF
FOR NHA EXECUTIVE BOARD

3. On 27th August 2013, JCC held its first meeting in the Islamabad. The Chinese side was headed by vice Chairman NDRC while the counterpart from Pakistani side was Minister for Planning, Development & Reforms. The meeting determined to jointly carry out the long-term plan for CPEC and identified transport infrastructure and energy as the key points of cooperation. As per the decision of JCC meeting, Ministry of Communications GOP was assigned as lead Ministry from Pakistan side for Transport Infrastructure Group of CPEC.

4. As a part of the short term plan, it has been agreed with the Government of China that two projects stated below shall be implemented with the view to achieve Karachi/Gawadar-Peshawar connectivity using maximum of existing/available road infrastructure. The two projects are :-

- | | | | |
|----|----------------------------|---|---------|
| a. | Sukkur-Multan section | - | 392 kms |
| b. | Havelian-Thakot section of | - | 120 kms |

5. Construction of Karachi-Lahore-Peshawar Motorway (Sukkur – Multan Section) and KKH Phase-II (Havelian – Thakot section) are two of the proposed Early Harvest Infrastructure Projects under the CPEC Program. Both the projects have high priority amongst the Infrastructure Projects envisaged by the Government. Detailed feasibility studies of the projects have been completed. Procurement of consultant is in process.

6. **Sukkur – Multan section of Karachi – Lahore Motorway** is proposed to be undertaken on EPC Mode through Chinese Concessional Financing. PC-I amounting to Rs 259.353 Billion (including 90% of cost as Chinese credit financing) was approved by ECNEC on 3rd July 2014. In the 4th JCC meeting held at Beijing China, the Framework Agreement was agreed upon between the Government of China and Pakistan. The said Agreement has been signed during the recent visit of Chinese President. Present status is as under:-

- Ground validation has been completed and ROW Markers substantially installed.
- Land acquisition is in progress.

CHINA - PAKISTAN ECONOMIC CORRIDOR
WORKING PAPER / PROJECT BRIEF
FOR NHA EXECUTIVE BOARD

- EPC tender documents have been prepared and being issued to prospective bidders.
- Environmental Protection Agency Punjab has accorded NOC for EIA Study report.
- PC-I for land acquisition & affected properties compensation with relocation of utilities for Karachi – Lahore Motorway amounting to Rs 51 Billion was approved by ECNEC on 3rd July 2014.
- An amount of Rs 61,250 has been allocated in PSDP 2015-16 with GOP share is Rs 16,250 and foreign assistance is Rs 45.000 million.

7. The 120 KM long **Havelian – Thakot Section** is also proposed to be undertaken on EPC Mode through Chinese Concessional financing. . 90% of the project cost will be met from EXIM Bank of China's preferential loans, the remaining 10% will be met through GoP funds. PC-I amounting to Rs 90.223 Billion has been approved by ECNEC in its meeting held on 4th December 2014. The project has been divided in following three segments for purpose of implementation strategy :-

Section	Havelian- Abbottabad	Abbottabad -Mansehra	Mansehra- Thakot	Total
Chainage	K61+000- K88+200	K88+200- K100+000	K100+000- K181+116	K61+000- K181+116
Length	27.2 KM	11.8 KM	81.12 KM	120.12 KM
Lanes	6-Lane Expressway	4-Lane Expressway	2-Lane Class-II Highway	
Shoulder				
Outer	3.65 meters	3.0 meters	2.5 meters	
Inner	0.6 meters	1.0 meter	-	

8. The project is included in PSDP 2014-15 with an allocation of Rs. 4,500.0 million with foreign component of Rs. 4,000.0 million. Present Status of Havelian – Thakot is as under:-

CHINA - PAKISTAN ECONOMIC CORRIDOR
WORKING PAPER / PROJECT BRIEF
FOR NHA EXECUTIVE BOARD

- Frame work agreement has been signed between Govt of Pakistan and China during last visit of Chinese Premier to Pakistan.
- Land acquisition folders of the Havelian – Thakot have been prepared and acquisition process is underway.
- Public hearing of Environmental Impact Assessment (EIA) Study Report of Raikot – Islamabad section has been conducted and issuance of NOC by Pak-EPA is under way.
- PC-I for land acquisition & resettlement plan amounting to Rs 7,267.5 Million has been approved by ECNEC in principle and is under finalization by CDWP.

9. Government of Pakistan has also launched Lahore-Kot Abdul Hakim Motorway project which envisages construction of 230 kms of 6-lane Motorway. The PC-I of the project costing Rs 131,207,280,065/- million is under consideration of CDWP. Land acquisition status is same as Sukkur-Multan while procurement is also under process. Rs 20,000 million have been allocated in PSDP 2015-16.

NATIONAL HIGHWAY AUTHORITY

P&CA Section NHA HQ

Working Paper
for the Executive BoardSubject: **AWARD OF CONTRACT NO. RH-RWP-14-15-PH-01****WIDENING AND IMPROVEMENT WITH CLOSED U-TURNS FROM
RAWAT T-CHOWK TO FAUJI FOUNDATION HOSPITAL
RAWALPINDI (KM 1524+450 TO KM 1533+800) ON N-5****BACKGROUND**

1. Road from Rawat T-Chowk to Fauji Foundation Hospital Rawalpindi (Km 1524+450 to Km 1533+800) N-5 is in a bad shape due to abnormal increase in traffic volumes due to urbanization of the stretch. This merits for increase in road capacity and improvement of U-turns to facilitate the urban traffic.
2. The matter was discussed with Chief of Army Staff during the Chairman NHA visit to his office in order to ease out the traffic coming in and out of the Rawalpindi Cantonment. After deliberations, it was agreed upon that the 04-lane existing road may be widened / improved to a 06-lane road facility with 07 closed U-turns to provide safe transition of traffic from one bound to other.

REHABILITATION MODULE

3. The Rehabilitation Module proposed for the said stretch is divided into two phases:

Phase-I: includes improvement & widening of 04-lanes to 06-lanes facility with drain & footpath at the end of carriageways and construction of 07 closed U-turns. The *estimated cost of the Phase-I is Rs. 1,092 Million (Rs. 1,113 Million with 2% contingencies).*

Phase-II: includes construction of 2-lane additional bridges on either side of 02-lane bridges (making 04 lane structure available on each side). In addition, a flyover may be considered to take care of traffic coming from High Court Chowk and merging into N-5 main stream.

ALLOCATION

4. NHA Executive Board in meeting held on 3rd February 2015 approved the Annual Maintenance Plan 2014-15 containing various Periodic Maintenance schemes for different regions.

5. The proposed Phase-I (i.e., Widening And Improvement With Closed U-Turns From Rawat T-Chowk to Fauji Foundation Hospital Rawalpindi Km 1524+450 To Km 1533+800 on N-5) has been earmarked in the AMP 2014-15 with an amount of Rs. 644.489 Million as this year budgetary allocation. The briefs of scheme approved under Punjab-North (Periodic Maintenance work) allocation are as under:

Route	Chainage	Side	Location	Length (km)	Work Type	Cost Million Rs.	Remarks
N-5	Km 1522-Km 1533	SB & NB	Rawat-Rawalpindi	22.0	Rehab.	644.489	Phase-I

6. Subsequent to the approval of AMP 2014-15, it was proposed that Rs. 644.489 Million has been earmarked for Phase-I project and the remaining Rs. 469.44 Million may be allowed to be pre-allocated out of the AMP 2015-16 with anticipatory approval of the Chairman NHA Executive Board. The approval for the same was solicited from the Chairman NHA.

TENDERING PROCESS:

7. Tendering of subject Contract was carried out on "Single Stage Two Envelope" Bidding procedure. Invitation for Bid (IFB) was published in Print Media on 27th February 2015. Bidders were facilitated by allowing the downloading of the bid documents from NHA website.

8. The work description is as follows:

Route	Chainage	Side	Location	Length (km)	Work Type	Engr's Estimate Million Rs.	Remarks
N-5	Km 1524+450-Km 1533+800	SB & NB	Rawat T-Chowk to Fauji Foundation Hospital Rawalpindi	18.70	Widening and improvement with closed u-turns	1,092 CSR-2014 (Rwp)	Phase-I

QUALIFICATION EVALUATION:

9. Technical proposals of the firms were opened as specified in the bidding document at 1200 hours on 31st March 2015 at NHA HQ Islamabad by the Bid Opening / Evaluation Committee in the presence of representatives of bidders, whereas the Price Bids were kept unopened and sealed in safe custody. Technical proposals of the bidders were evaluated in accordance with the criteria as stipulated in the Bidding Documents. Technically qualified firms were informed to attend the Financial Bid Opening on 8th May 2015 while unqualified firms were informed to collect their sealed Financial Bids.

FINANCIAL BID EVALUATION:

10. Financial Bids of Qualified bidders were opened by the Tender / Opening & Evaluation Committee on 8th May 2015. The summary of bidders who submitted proposals, Qualified bidders, their financial bids and status of the lowest evaluated bidders is mentioned as follows:

Sr.	Name of Firms	Technical Evaluation Status	Evaluated Bid Price (Rs.)	Remarks
1	Zarak Construction Co.	Dis-Qualified		
2	Lawaghar Construction Co.	Dis-Qualified		
3	Habib Construction Services Co.	Qualified	987,332,579.00	
4	NLC	Qualified	929,010,153.97	
5	Ameer Muqam & Co.	Dis-Qualified		
6	Mehreen Construction -	Dis-Qualified		
7	Zarif Khan & Brothers	Dis-Qualified		
8	SAC -LBCC (JV)	Dis-Qualified		
9	HRK & Co.	Dis-Qualified		
10	Sheikh Abdur Razaq & Co.	Qualified	988,556,341.00	
11	Rustam Associates - Nawaz & Co. (JV)	Dis-Qualified		
12	Sachal Engineering	Qualified	1,007,618,606.00	
13	Nasrullah Jan Inamullah Khan & Co.	Qualified	892,204,201.36	3rd Lowest -18.36%
14	IKAN-AKB JV	Qualified	939,489,265.00	
15	Allied Khattak	Qualified	854,939,726.65	2nd Lowest -21.77%
16	Global Technical Enterprises	Qualified	784,341,277.00	1st Lowest -28.23%
17	MAAKSONS	Qualified	965,706,382.38	
18	Zarghoon Enterprises (Pvt.) Ltd.	Qualified	963,122,058.70	
19	Usmani International (Pvt.) Ltd.	Qualified	1,014,226,758.00	
20	Niaz Mohd. Khan & Brothers	Qualified	994,673,977.32	
21	CALSONS	Qualified	928,556,696.08	
22	ZKB-TTC (JV)	Qualified	947,214,291.00	
23	SMC	Qualified	1,001,676,597.00	
24	FWO	Qualified	1,003,909,954.63	
25	Maqbool Associates	Qualified	927,912,453.00	

26	HCL-NTF (JV)	Dis-Qualified	
27	SMADB JV RMS	Dis-Qualified	
28	Nazir & Co.	Dis-Qualified	
29	MAJSE JV	Qualified	930,695,984.41

No. of firms participated in the bidding process = 29 No.s

No. of firms technically qualified = 18 No.s

RECOMMENDATIONS

11. On the basis of examination of the terms and conditions of the bidding documents and evaluation of bids carried out thereafter, Tender Acceptance Committee unanimously recommends that the Contract No. RH-RWP-14-15-PH-01 (i.e., Widening and Improvement with Closed U-Turns from Rawat T-Chowk to Fauji Foundation Hospital Rawalpindi Km 1524+450 To Km 1533+800 on N-5) may be awarded to lowest evaluated bidder (M/s Global Technical Enterprises) at his quoted / evaluated bid price of Rs. 784,341,277/- which is 28.23% Below the Engineer's Estimate of Rs. 1,092,829,240 based on CSR-2014.

DECISION SOLICITED

12. Foregoing in view, NHA Executive Board is requested to accord the approval for award of Contract No. RH-RWP-14-15-PH-01 (i.e., Widening and Improvement with Closed U-Turns from Rawat T-Chowk to Fauji Foundation Hospital Rawalpindi Km 1524+450 To Km 1533+800 on N-5) to the lowest evaluated bidder (M/s Global Technical Enterprises) at his quoted/evaluated bid price of Rs. 784,341,277/- which is 28.23% Below the Engineer's Estimate of Rs. 1,092,829,240 based on CSR-2014.

**Working Paper for
NHA Executive Board**

AGENDA ITEM NO.....**5**.....

Subject: **APPROVAL FOR THE ADDENDUM. 2 & EXTENSION OF TIME**

**ICB-N-03 REHABILITATION OF KOHALA-MUZAFFARABAD ROAD
(S-2), KM 00 TO KM 35 & NCB-N-04 & 05 REHABILITATION
KAGHAN-NARAN N-15 KM 34~ 38 & 89 ~ 119, FLOOD
EMERGENCY RE-CONSTRUCTION PROJECT:**

BACKGROUND (S-2):

1. The Strategic Highway (S-2) starts from Kohala bridge to Muzaffarabad Quid-e-Azam Bridge is an old part of Srinagar Road but very important highway as it links Punjab with AJK and perhaps it is the only main link between two Capitals; Islamabad and Muzaffarabad. The alignment of this road runs along the river Jehlum on its left bank where as chain of mountains exists on the right hand side of it - zero point being Kohala Bridge.

2. Thus its design is very critical because of the river on one side and the mountains extension on the other which keeps on sliding. NHA is keen to transform this road into a safe and durable highway. The road in its present shape does not meet the requirements of geometric design as well as the volume of traffic.

3. The work for rehabilitation and improvement have been divided into three packages:

- I. Package-I from Km 0+000 to Km 20+000 (M/s Xinjiang
Beixin Road & Bridge Group Co. Ltd.
- II. Package-II from Km 20+000 to Km 35+000 (M/s AM Associates)
- III. Package-III Construction of two Bridges along with approaches i.e
 - a. Chattar Kalas Bridge : 64M + 636M approaches.
 - b. Dulai Bridge : 37M + 826MM/s Habib Rafique Pvt (Ltd)

BACKGROUND (N-15):

1. The Strategic Highway (N-15) starts from Mansehra to Kaghan, Naran, Jalkhad and finally leads to Chillas. This roads provides the alternative link to Chillas and Sharda and ultimately links with Neelum Road at Kel. This provides the strategic link between AJ&K, KPK & to the Northern Areas.
2. Thus its design is very critical because of the river on one side and the mountains extension on the other which keeps on sliding. NHA is keen to transform this road into a safe and durable highway. The road in its present shape does not meet the requirements of geometric design as well as the volume of traffic.
3. The work for rehabilitation and improvement have been divided into two packages:
 - I. Package-I from Km 34+365 ~ 38+000 (M/s Rustam Associates & Dynamic Contractors JV)
 - II. Package-II from Km 89+275 ~ 119+350 //

Kohala - Muzaffarabad Road (S-2):

Package-I (Km 00+000 to Km 20+000)

VO-1 Detailed cost attached as Annex-A.

Variation Order No. 1 (Brief Reasons)

VO # 01 is covering mainly the increase in scope of KM-1 slide. The pile dia has increased from 1000mm to 1200mm. The pile boring has increased from 2600LM to 5000LM, accordingly the concrete and steel has increased. The additional item of geo tech investigation and geo textile has been added in addition to pile casing and borrow rock filling behind the wall. All the above items warrant the increase in scope of work to the extent of Rs. 252.421 Millions with a financial effect of 14.71%.

Variation Order No. 2

VO-2 Detailed cost attached as Annex-B.

Variation Order No. 2 (Brief Reasons)

VO # 02 is covering mainly the increase in scope of KM-3 slide. The piles have been added of 1200mm dia for 1000LM along with the concrete and steel. The shelter have been got designed from AA, Associates which involves concrete and steel for handsome quantity. The additional items of clearing the slide under 106c which has increased from 5000cum to 59722cum, the plum concrete walls has increased from 28500cum to 38300cum, the sub base has increased from 2000cum 27000cum, aggregate base course has been increased from 24000cum to 38851cum. All the above items necessitate the increase in scope of work to the extent of Rs. 394.396 Millions with a financial effect of 22.98%.

Variation Order No. 3

VO-3 Detailed cost attached as Annex-C.

Variation Order No. 3 Brief Reasons

The Road at KM-12 was slided due to the poor drainage catered for previously so per force we have to resort to re-alignment of 295 m toward the hill side. All the items of roads from sub base to the asphalt wearing course had to be taken. Secondly, the new retaining structures and drainage had to be executed afresh. The details of estimates item wise given in cost analysis Annex-C.

Package-III Variation Order No. 01

VO-3 Detailed cost attached as Annex-D.

Variation Order No. 1 (Brief Reasons)

Variation order #01 has been necessitated due to emission of some quantities due to non availability of design and extra quantities catered for in the contract agreement.

Package-II Variation Order No. 01

VO-1 Detailed cost attached as Annex-E.

Variation Order No. 1 (Brief Reasons)

Variation order #01 has been necessitated due to the non availability of bill # 07 in Package-II.

Package-II Variation Order No. 02

VO-2 Detailed cost attached as Annex-F.

Variation Order No. 2 (Brief Reasons)

Variation order #02 has been initiated due to the requirement of additional retaining structures i.e Retaining Walls & Breast Walls & removal of excessive slides. The retaining structures quantities increased from 17000cu.m to 44000cu.m similarly the removal /excavation of unsuitable material increased from 5000cu.m to 43000cu.m.

The variation includes

- a. Excavation of unsuitable common material.
- b. The realignment of 295 M Road at KM-12.
- c. Pile boring of 33 no in addition to 38 already bored.
- d. Pile steel and concrete.
- e. Pile Cap along with tie Beams.
- f. Columns, Beams, RCC Wall and Roof Slab along with inverted beams.
- g. Pile load test along with boring.
- h. Footpath jersy Barrier
- i. Sub Base Aggregate Base Course, Asphaltic Base Course and Wearing Course.
- j. Package-II Supplement quantities have RCC Wall & Allied activities.
- k. Bill # 07a & 07b have been accommodated up to August 2015.
- l. The increase and decrease of quantities are justified according to Bill No. 01, 02, 03, 05, 06, 07a & 07b in attachment B of the variation order.

FINANCIAL SUMMARY OF VARIATION ORDERS PACKAGE- I (S-2)

Sr. No.	Description	Amount (Rs.)
A	Original Contract Cost	1,716,002.100
B	Cost of VO#1 (increase)	252,421,480
C	Revised Contract Cost (after VO#1)	1,968,423,580
D	% age increased due to VO#1	14.71%
E	Cost of VO#2 (increase)	394,396,455
F	Revised Contract Cost (after VO#2)	2,362,820,035
G	% age increased due to VO#2	22.98%
H	Cost of VO-03 (Increase)	181,024,000
I	Revised Contract Cost (after VO#3)	2,543,844,035
J	% age increased due to VO#3	10.55%
K	% age increased due to VO#1 ,VO#2 & VO#03	48.24 %

FINANCIAL SUMMARY OF VARIATION ORDERS PACKAGE- II (S-2)

Sr. No.	Description	Amount (Rs.)
A	Original Contract Cost	782,961,000
B	Cost of VO#1 (increase)	25,492,000
C	Revised Contract Cost (after VO#1)	808,453,000
D	% age increased due to VO#1	3.256%
E	Cost of VO#2 (increase)	90,550,195
F	Revised Contract Cost (after VO#2)	899,003,195
G	% age increased due to VO#2	11.56%
H	% age increased due to VO#1 & VO#2	14.82 %

FINANCIAL SUMMARY OF VARIATION ORDERS PACKAGE- III (S-2)

Sr. No.	Description	Amount (Rs.)
A	Original Contract Cost	433,918,427
B	Cost of VO#1 (decrease)	(64,914,197)
C	Revised Contract Cost (after VO#1)	369,004,230
D	% age decreased due to VO#1	(-) 14.96%

EXTENSION OF TIME

The E.o.T has been recommended due to increase in scope of work i.e KM-1, KM-3 & KM-12 Slide on the following reasons which are mentioned below:-

- a. Delay in providing revised design for KM-1 Slide.
- b. Delay in providing revised design of KM-3 Slide.
- c. Delay due to slide and Realignment Design.
- d. Package-III 117 days
- e. Package-II 120 days

Agreed. The change in design has resulted in the enhancement of the agreement from Rs. 1716 millions to 2414 million. The time allowed in the agreement is 18 month. If we approve extension of time limit proportionate to the enhancement of cost of agreement, the revised date of completion would be August 05, 2015 but they have requested for extension in limit for 139 days so as to complete the project on May 24, 2015. I, in the capacity of "The Engineer" agree with the proposed E.o.T of **139 days** commencing from **Jan 05, 2015** and to end on **May 25, 2015**.

Mansehra-Naran-Jalkhad-Chillas Road (N-15):

Package-II (Km 89+275 to Km 119+350)

VO-1 Detailed cost attached as Annex-G.

Variation Order No. 1(Brief Reasons)

VO # 01 is mainly due to the re-appropriation of quantities and changing of specification for retaining structures.

Package-II (Km 89+275 to Km 119+350)

VO-2 Detailed cost attached as Annex-H.

Variation Order No. 2 (Brief Reasons)

VO # 02 necessitated due to the inclusion of missing reaches between KM 88 ~ 125. On the orders of worthy Chairman NHA the details of cost are given in Annex-E.

FINANCIAL SUMMARY OF VARIATION ORDERS N-15

Sr. No.	Description	Amount (Rs.)
A	Original Contract Cost	844,545,925
B	Cost of VO#1 (decrease)	(2,732,634)
C	Revised Contract Cost (after VO#1)	841,813,291
D	% age increased due to VO#1	(0.323)%
E	Cost of VO#2 (increase)	200,839,952
F	Revised Contract Cost (after VO#2)	1,042,653,243
G	% age increased due to VO#2	23.78%
H	% age increased due to VO#1 & VO#2	23.46 %

EXTENSION OF TIME

The EOT for both the variation orders have been obtained from the Employer through The Engineer recommendation for 286 days vide following letter.

- i. EGC/Engineer/N-15/082 **dated:** February 23, 2015.

Consultancy Agreement (North Package) with Addendums

Due to the increase of scope in North Package the Consultant agreement had gone through two addendums. The original amount of North Package consultancy and supervision was **Rs.100,779,630/-**. Two different addendums cost effect is as follows:-

1. Consultancy and Supervision Agreement	Rs. 100,779,630/-
2. Addendum-1 Survey, Design, Consultancy and Supervision of Jindi Nullah and Khayli Bridge on M-1 Model Study	Rs. 10,296,000/-
3. Addendum-2 Attachment -AA	<u>Rs. 32,015,422/-</u>
Summary of Agreement and addendums	Rs. 143,091,053/-

DECISION SOLICITED:

The Executive Board is requested to accord approval of;

- a) Addendum-1 & 2 amounts i.e Rs. 43,203,822/-
- b) The EOT of 146.9 man months needs to be concurred.

NATIONAL HIGHWAY AUTHORITY
ENGINEERING COORDINATION WING (Aided Projects section)

Working Paper for the Executive Board

Sub: REHABILITATION / RECONSTRUCTION OF ALPURI - BESHAM SECTION OF NATIONAL HIGHWAY (N-90) IN DISTRICT SHANGLA - KPK FROM KM 00+000 TO KM 33+502: REVISED ADDENDUM NO. 03 OF M/S ASSOCIATED CONSULTING ENGINEERS - ACE (PVT.) LTD.

1) Background

The Khwazakhela - Besham Road was originally the component of ADB Assisted Malakand Rural Development Project but later it was federalized through Notification No. 13(I) 88-Roads dated February 14, 2007 as a New N-90 (Khwazakhela - Shangla - Besham Road) and transferred from Frontier Highway Authority, KPK to National Highway Authority on 30th March, 2007. From this date onwards NHA is responsible to upgrade and maintain the road as per their laid down specifications and standards. The original PC-1 was developed / approved amounting to Rs. 874.700 Millions for the entire length of the project i.e. 33 Kilometer. Later on to complete the project within ADB Loan closing date i.e. June 30, 2010, the project was divided in to four (04) Lots which were awarded to different contractors. The overall construction cost as quoted by the contractors for the entire four lots came to Rs. 1,303 Millions. Due to different factors as indicated hereunder, the contractor was not able to complete the project within original ADB loan closing date :

- (a) Precarious Law & order situation due to intrusion of Taliban in the area.
- (b) Adverse Climatic conditions.
- (c) Abnormally excessive load shedding of electricity in the project area.
- (d) Flood damages due to historical floods in July 2010.
- (e) Remobilization of contractor's staff who left the project to look after their kith & kin who were displaced due to flood damages took considerable time.
- (f) Restoration of the project traffic after carrying out temporary rehabilitation through Day work for its connectivity.

- (g) Portions of the road, which had been washed away, necessitated redesigning preceded by fresh survey.

However, keeping in view the occurrence of historical flood in the entire KPK province in the month of July 2010, ADB loan closing date was extended from June 2010 to June 30, 2011. In consideration of the above stated factors, the Engineer has recommended the Extension of Time for the contractor up to November 30, 2011 but due to non-payment of contractor's IPC's contractor was not able to complete the project within extended time frame. Originally, the project was being financed by ERRA (GOP) through funding by Asian Development Bank, with a financing ratio of 75:25 of ADB & GOP respectively. The Government of Pakistan is the sponsoring agency for its construction, completion and subsequent maintenance. However, on expiry of ADB extended loan closing date the Engineer of the project recommended alternate funding arrangement as per GCOC clause 2.4 for execution of the project.

The revised PC-I for an amount of Rs. 2,879 Million was thereafter prepared which was approved by CDWP in January, 2015 after a thorough and detailed scrutiny. An allocation of Rs. 500 Million was made in the PSDP:2014/15.

Consultancy Supervision:

The Consultancy Contract Agreement for Design and Construction Supervision of Alpuri - Besham (N-90) Road project between National Highway Authority and Associated Consulting Engineers - ACE (Pvt.) Ltd was signed on May 30, 2008. Commencement date of the project as stipulated in Agreement was also May 30, 2008 and total completion time for the assignment comprises as under :

- | | | |
|----|--------------------------------|-----------------|
| 1. | Design Phase | Two (02) Months |
| 2. | Construction Supervision Phase | Ten (10) Months |

After completion of Design Phase within stipulated period, the construction supervision of the project commenced on November 16, 2009. The original time period for consultancy services expired on September 15, 2010 but keeping in view the above cited factors an Extension of time through Addendum - I was granted / approved for a period of 3.5 Months (from 16.09.2010 to 31.12.2010). Further project could not be completed within extended time due to an unprecedented flood in July 2010 and further extension of Consultancy Contract for a period of Six (06) Months from 01.01.2011 to 30.06.2011 due to revised ADB Loan Closing Date approved through Addendum - II.

Keeping in view the Contractor's slow progress during EOT through Addendum - II, which is mainly due to the following reasons an Extension of time up to November 30, 2011 was granted by the Client through letter No. GM(ADB-P)/HQ/NHA/11/1665 dated 20.10.2011:

- a. Non-committal of financial arrangement to the contractors as per Clause 2.4 of GCOC after discontinuation of ADB revised loan ending on 30.06.2011.
- b. Adverse law & Order situation on the entire length of the project.
- c. Adverse climatic conditions especially in Lot-I & II due to triggering of snowfall season.
- d. Extensive load shedding in the project area.

However, project cannot be completed due to poor performance of the contractor and non- arrangement of further financial arrangement by the Client as stated above. The consultant's skeleton staff as desired by the Client was engaged for a period from July 2011 to April 2013. Afterwards, in light of preceding scenario, entire consultancy supervision staff was demobilized from May 1, 2013 up to May 26, 2014.

Addendum No. III caters for the supervision services w.e.f. 1st July-2011 up to 30th June, 2015 amounting to Rs. 89.012 Millions. The period of demobilization i.e. 1st May-2013 to 26th May-2014 is included however with no cost involved. The revised PC-I provisions a sum of Rs. 86.21 Million for the consultancy supervision services.

It is pertinent to mention here that all the consultant staff will be demobilized as on May 01, 2015 except Resident Engineer, Quantity Surveyor, Inspector, Computer Operator and one Office Boy whose services have been proposed to be retained for further two (02) months (from May 2015 to June 2015) to finalize the project pending issues, meeting the project requirement as set forth in Contract Agreement. Original cost of consultancy services agreement is Rs. 40.131 Millions. However, status of Addendums to Consultancy services is as under :

Addendum No.	Period (Months)	Date		Amount (Rs. Millions)	Status
		From	To		
1	3.50	15.09.2010	31.12.2010	4.324	APPROVED
2	12.00	01.01.2011	30.06.2011	13.090	APPROVED
3	48.00	01.07.2011	30.06.2015	31.467	Proposed
Total	73.50*	-	-	89.012	-

*including original period of contract of 12 months

2) Financial Effect on Consultancy Agreement

a. Original Amount of Consultancy Contract	= Rs. 40.131 Millions
b. Cost up to Approved Addendum No. 01	= Rs. 4.324 Millions
c. Cost up to Approved Addendum No. 02	= Rs. 13.091 Millions
d. Cost of Addendum No. 03 (Under process)	= Rs. 31.466 Millions
e. Overall Amount for Consultancy Contract	= Rs. 89.012 Millions
f. %age overall financial effect (increase)	122%
g. %age overall completion time effect (increase from Sep 2010 to June 2015)	480%

3) Extension of Consultancy Services for Construction Supervision

Extension considered for Revised Addendum No. 03 is 48 months (from 1st July 2011 to 30th June 2015) i.e. 2 months more than Construction Contract EOT to cater for any project issues.

4) Decision Requested

NHA Executive Board is requested to accord approval of revised addendum No. 03 of Rs. 31.466 Millions with revised consultancy services cost of Rs. 89.012 Millions which is 122% above original cost, entailing extension of time from 1st July 2011 to 30th June 2015, please.

5) Attachments:

Appendix – A: Project data sheet
Appendix – B: Location Map

NATIONAL HIGHWAY AUTHORITY
CONSTRUCTION WING

Working Paper
for the Executive Board

Sub:- **Addendum No. 6 of M/s LRA Group for Construction Supervision Consultants for Gwadar - Turbat - Hoshab Road Project M-8: Re-rating of Charge Rate:**

Background:

Consultancy agreement for construction supervision of Gwadar-Turbat-Hoshab section of M-8 was signed in August 2004 for two years however project could not be completed within stipulated time period and accordingly extensions were provided to all the contractors and supervisory consultants.

Due to the subsequent revisions charge rates agreed in 2004 were no longer workable therefore re-rating of charge rates were approved twice in October, 2006 and January, 2009 in VO-3R and VO-4R respectively.

Fiscal summary of Addendums of M/s LRA:

Fiscal summary of consultancy contract is as follows:

Original contract	:	Rs. 29,024,749/-
Addendum No.01	:	Rs. 6,106,268/-
Addendum No.02	:	Rs. 1,320,873/-
Addendum No.03	:	Rs. 62,733,837/-
Addendum No.04	:	Rs. 35,244,986/-
Addendum No.05	:	Rs. 15,532,651/-
Revised cost (Addendum No.05):		Rs. 150,463,365 (418%)

Extension of time from August, 2011 to April 30, 2014 is approved by NHEB while approving Addendum No.05 of M/s LRA group. It is pertinent to mention here that balance works of Gwadar-Turbat-Hoshab section of M-8 were awarded to M/s FWO accordingly contractor mobilized on site in June, 2014. Construction activities are under progress at slow pace, it is expected that gradually pace of works will increase to achieve completion up to December, 2015. M/s Loya Associates are already mobilized at site with minimum work force therefore extension of consultancy services is required up to December, 2015.

Escalation as per contract:

M/s Loya Associates abstained from accepting the charge rates revised in January, 2009 and requested for re-rating because annual escalation of 5% is allowed as per clause 6.2 (a) of consultancy agreement which is not sufficient because of inflation, non-availability of supervision staff due to unprecedented activities in the project area, the prevailing salary structure of the consultants has to be increased for provision of effective supervision. M/s Loya Associates has requested 80% enhancement in the approved charge rates.

Legality of re-rating as per consultancy agreement:

In order to mobilize the supervisory consultants with immediate effect in-principle agreement was conveyed to consider claim of re-rating in line with the conditions of the consultancy agreement. However as per consultancy agreement clause 6.5 (b) (Additional services) "In case for any reasons these rates and prices are determined by both the parties to be not applicable for said additional services, then suitable billing rates and the additional time, shall be agreed upon between the employer and the consultant." Revised man month charge rates are to be mutually agreed between Employer i.e Chairman NHA and consultant M/s EA Associates.

In the present scenario, when supervisory consultant is not willing to continue their services without rate enhancement, employer is left with following options;

- a. Either approve the re-rating
- b. Or terminate the consultancy contract and opt for re-tendering.

However re-tendering is not considered desirable at this stage considering the accumulated experience of more than ten years gained by the consultant on this urban highway project of peculiar nature and time required for procurement process.

Detail of enhancement in the charge rates and its comparison with the adjacent project of N-85 (M/s Nespak) is as follows:

<u>Description</u>	<u>Charge Rate as per Contract</u>	<u>Approved Charge rates Oct. 2006 for VO 3R</u>	<u>Approved charge rates Jan. 2010 for VO 4R</u>	<u>Escalated rates as per contract Jan. 2011 to April. 2014</u>	<u>Proposed Charge Rates From May 2014 to Dec. 2015. (With 80% Increase)</u>
Resident Engineer	78,560	117,840,	176,760	214,853	386,735
Material Engineer	60,884	91,326	136,989	166,511	299,720
Assistant Resident Engr.	60,884	91,326	136,989	166,511	299,720
Structure Engineer	60,884	91,326	136,989	166,511	299,720
Assistant Material Engr.	24,943	37,415	56,122	68,216	122,789
Surveyor	24,943	37,415	56,122	68,216	122,789
Site Inspector	24,943	37,415	56,122	68,216	122,789
Laboratory Technician	15,712	23,568	35,352	42,971	77,347
Computer Operator	13,478	20,622	30,933	37,599	67,679
Quantity Surveyor	41,244	61,866	92,799	112,798	203,036

16. Comparison of Charge Rates:

<u>Sr.No</u>	<u>Description</u>	<u>Proposed Charge Rate for Vo-06</u>	<u>Approved Charge Rates of M/s NESPAK at Sorab-Basima-Naag-Panigur (N-85)</u>
1	Resident Engineer	386,735	438,461
2	Bridge Engineer	-	350,769
3	ARE Highway	299,720	350,769
4	ARE Structure	299,720	350,769
5	Material Engineer	299,720	350,769
6	Quantity Surveyor	203,036	233,846
7	Inspector	122,789	194,872
8	Surveyor	122,789	194,872
9	Lab. Technician	77,347	175,385
10	Computer Operator	67,679	77,949

17. Re-rating committee is nominated in the code table-III-14; this committee is constituted originally for re-rating of contractor however in absence of any other committee same is being used for re-rating of consultants. It is important to mention here that this committee has already made recommendations on number of re-rating cases of supervisory consultants. As per NHA code in-principle agreement of National Highway Executive Board is required for commencing the proceedings of the re-rating committee.

Proposed charge rates of the consultants will be evaluated by the re-rating committee and accordingly will be recommended for formal approval of NHEB however in-principle approval of NHEB is mandatory for commencing the proceedings of re-rating committee.

Decision Solicited:

National Highway Executive Board is requested to grant In-principle approval for commencing the proceedings of re-rating committee in line with NHA code table III-14.

**WORKING PAPER FOR
APPROVAL OF ADDENDUM NO.01
OF
CONSULTANCY SERVICES FOR "FEASIBILITY STUDY & DETAILED
DESIGN OF YAKMACH - KHARAN ROAD"**

The Consultancy Agreement for the subject services was signed between National Highway Authority and M/s ACC (Pvt.) Ltd. in association with M/s ACE (Pvt.) Ltd. and M/s MASCON Association (Pvt.) Ltd. The cost of the services including provisional sums was Rs. 25,132,325/-.

2. The Consultant submitted the alignment study report as per requirement of the contract. According to the alignment study which was part of Terms of Reference (TOR) consultant has to carry out desk study of possible alignment alternatives using maps and imageries.

3. The Consultant suggested an alignment having length of 200km instead of proposed 113km more appropriate as it follows flat to rolling terrain and serves larger population density. This road can become an important section of the National Highway system linking Karachi towards the Iranian border with shortest distance from N-40 to N-25 via Kharan and Basima.

4. The Consultant shared the alignment with Lt. Gen. (R) Abdul Quadir Baloch, Minister SAFRON, the sponsor of the Project and he is also willing to take 200 km alignment as final. No written consent is available.

6. As the original agreement was signed for a length of 113 km and the final alignment is 200 km so there is a variation of about 76.99% in length. The consultant has submitted the addendum which is 51.195% of the original consultancy contract.

7. According to NHA code 'Chapter Four-Engaging Consultants & Administration of Consultancy Services' Table; IV-2, NHA Executive Board has full Powers to approve variation in cost of services due to change in scope of work.

Decision Solicited

The Executive Board may approve Addendum # 01 with increase of cost Rs.12, 866,511/- and revised cost of the Contract Rs.37, 998,836/-and extension of Time for one month to the Consultants up to 10th September, 2015, please.

NATIONAL HIGHWAY AUTHORITY
REVENUE - ROW

Working Paper
for the Executive Board

Sub: **WAIVER OF NHA ROW USAGE RENTALS & FEES FOR LAYING OF TRANSMISSION LINE BY ERRA FROM 132 KV GRID STATION RAMPURA, MUZAFFARABAD TO SATELLITE TOWN THOTHA**

1 After earthquake-2005, Earthquake Reconstruction & Rehabilitation Authority (ERRA), Islamabad is engaged in reconstruction and rehabilitation activities under its Urban Development Program of AJK for reconstruction of Muzaffarabad, Bagh and Rawlakot cities through Chinese loan. Similarly, a new town comprising 400 houses is under construction in Muzaffarabad city especially for refugees of Indian held Kashmir, which is a welfare and humanitarian project being supported by Government and Non Government Organizations. The electrification work / erection of electric poles for the town developed for the displaced people is being done by an international organization along National Highway Network (S-3) on behalf of ERRA. Letter from ERRA, Islamabad dated 03.03.2015 is at **Annex-A**.

2. As per SOPs on the subject, all such permissions are granted subject to payment of prescribed NOC fees and ROW / road usage rental charges (NOC fee Rs.500,000/-, Five years advance Bridge crossing charges @ Rs.75000/- per annum and for 03 bridges Rs.1,125,000/- and five years advance ROW usage rentals (11910 meters * Rs.15/- per meter =Rs.893,250/-) to NHA through its Road Maintenance Account (**Annex-B**). However, considering the humanitarian cause, the ERRA, Islamabad has requested for waiver of the charges by NHA i.e. Rs.2,518,250/-.

3. **PROPOSAL:**

- i. It is proposed to accede to the request of the Earthquake Reconstruction & Rehabilitation Authority (ERRA), Islamabad regarding waiver of NHA ROW usage rentals & fees. As per NHA Code Chapter Ten (Procedure & Powers to Write Off Losses), Table: X-2 (F), NHA Executive Board has full powers of "Remission or Abandonment of Claims to Revenue" (**Annex-C**).
- ii. The Executive Board is requested to approve the proposal at Para-3(i).

NATIONAL HIGHWAY AUTHORITY

ADMN WING ESTABLISHMENT DIRECTORATE

Working Paper for the Executive Board

Sub: Writing Of Loss Sustained by NHA : Theft/Snatched of Vehicles

1. It is stated that 2 x NHA vehicles, one detailed with Mr. Munir Hussain Ranjha AD (Admn) was stolen in October, 2009 and the other one was snatched from Mr. Abdul Jabbar Driver in October, 2010. Inquiry Committees were constituted in each case to probe into the matter and submit facts finding reports with recommendations. Detail of both the vehicles and recommendations of the respective committees are given below:-

a. Vehicle No. IDJ-5271

(i) Toyota Corolla Car No. IDJ-5271, Model 1996 was temporarily detailed with Mr. Munir Hussain Ranjha, the then AD (Admn) M-2, NHA Balkasar without driver. On 18th Oct-2009, due to indisposition, the officer visited Ali Hospital (Panel Hospital), Sector I-9, Islamabad where he parked the vehicle in main parking properly locked. When the officer came back, the vehicle was found missing.

(ii) Mr. Munir Hussain Ranjha reported the matter to Islamabad Police and the Director (Estab) (**Annex-A & B**). However, the Police have not yet been able to recover the vehicle which was not comprehensively insured, as under NHA's Motor Vehicle Use Policy, only new vehicle are insured upto 3 years.

(iii) The inquiry committee, headed by Director (PSC) NHA, HQ was appointed to probe the matter, found that:-

(a) The vehicle was detailed with the officer as replacement as his allocated vehicle was under repair at workshop without driver. The vehicle was equipped with normal key locks and crook lock was also provided as extra measure.

(b) The vehicle was old model therefore, not covered with comprehensive insurance. The incident comes under "force majeure".

NATIONAL HIGHWAY AUTHORITY

ADMN WING ESTABLISHMENT DIRECTORATE

Working Paper for the Executive Board

Sub: Writing Of Loss Sustained by NHA : Theft/Snatched of Vehicles

- (iv) *The committee recommended, the officer failed to maintain security and also is held responsible for theft of the vehicle. The recovery of 65% of vehicle's reserve price from the officer (Mr. Munir Hussain Ranjha) and writing off balance 35% (Annex-C). Necessary office order was accordingly issued to recover the loss of Rs. 283,439/- (65% of reserve price) from Mr. Munir Hussain Ranjha (Annex-D).*
- (v) Consequent upon imposition of recovery of Rs.283,439/-, the officer submitted an appeal to the then Chairman NHA that he can not pay the penalty, as such huge amount will create financial trouble for him. The then Chairman NHA directed for processing of the case for writing off the entire loss (Annex-E).

b. Vehicle No. GA-9546

- (i) Toyota Double Cabin No. GA-9546 Model 2002 was snatched by two armed persons from Mr. Abdul Jabbar, Driver who was detailed for provision of pick & drop facility to Mr. SM Abu Qamar, Resident Engineer (Gwadar-Pleri-Jiwani & Pleri-Gabd Sections of Makran Coastal Highway Project). Incident occurred at about 1000 Hrs on Oct 14, 2010 while the driver was waiting outside Mr. Qamar's residence. The snatchers released the driver near MET Office, University Road Karachi.
- (ii) An FIR was lodged by the driver in Shahrah-e-Faisal, East Zone Police Station (Annex-F). The vehicle was not insured as only new vehicles are comprehensively being insured only for 3 years as per NHA's Motor Vehicle Use Policy.
- (iii) An inquiry committee was constituted by GM (MCHP) headed by Mr. Agha Inayatullah PD (M-8), Turbat (Annex-G).

NATIONAL HIGHWAY AUTHORITY

ADMN WING ESTABLISHMENT DIRECTORATE

Working Paper for the Executive Board

- (iv) As per recommendations of the Committee, as the vehicle was snatched on the gun point and there was no way except to hand over the vehicle to snatchers in order to save the life. There is no person responsible for this act (**Annex-H**).
2. As per NHA Administrative Manual (Transport Policy) "Since there will be no comprehensive insurance for majority of NHA Vehicles, therefore proper upkeep and safe custody of valuable NHA vehicles needs to be closely guarded against damage or loss. All entitled officers allotted NHA vehicles with or without driver, field staff of contractor/consultant deployed on projects and other authorized users shall be fully responsible both for safe custody and proper upkeep of the vehicles placed at their disposal."
3. It is pertinent to mention that Mr. Munir Hussain Ranjha, the then AD (Admn) has applied for waive of the penalty i.e Rs. 283,439/- (65% of Reserve Price), whereas Rs. 230,320/- out of 283,439/- have already been recovered from the salary of the officer upto December 2014.
4. **PROPOSALS**
- Following proposals are submitted for approval of the Executive Board being Competent Authority under Chapter-10 (Table X-1) of NHA code, 2005 (Annex-I):-
- a) **Loss of Rs.952,298/- against snatched Vehicle No.GA-9546 (Toyota Double Cabin may be written off.**
- b) **Loss of Rs.436,060/- against stolen Vehicle No. IDJ-5271 Toyota Corolla may be written off.**
5. The NHA Executive Board is competent for writing off the loss sustained by NHA as per table -X-I to Chapter-10 of NHA Code 2005 (**Annex-I**)

.....

**Working Paper for the
NHA Executive Board Meeting**

Subject: **REVISED ADDENDUM NO. 02 FOR CONSULTANCY SERVICES FOR
DETAILED DESIGN AND CONSTRUCTION SUPERVISION OF M/S
ASSOCIATED CONSULTING ENGINEERS (PVT.) LTD.**

Introduction:

Total length of the project from Larkana to Kamber is 19.083 Km which was awarded to M/s Al-Mehran Builders (Pvt.) Ltd. for its execution under the supervision of M/s ACE (Supervisory Consultants). Original duration of the project was 12 months with date of commencement as 25.09.2009. Consultancy agreement for design and construction supervision of Larkana - Kamber Road Project was signed between National Highway Authority and Associated Consulting Engineers (Pvt.) Ltd. on January 05, 2009 with the following scope:

- | | | |
|-----------------------------------|---|-------------------|
| 1. Design Phase | : | Three (03) Months |
| 2. Construction Supervision Phase | : | Six (06) Months |

It is important to mention here that construction supervision period was only 6 months against the completion time of the project as 12 months therefore it was evident that extension has to be provided to supervisory consultants to cover this difference. Accordingly extension of Time of M/s ACE was approved by NHEB up to September, 2010.

However, due to multiple reasons project could not be completed within the stipulated construction time period and extension of time up to March 31, 2013. Subsequently and thereafter to provide effective construction supervision addendum No. 01 of supervisory consultants were approved upto May, 2013.

Justification of addendum No. 04:

Construction activities however could Not be completed upto March, 2013, due to various reasons (mainly land acquisition of Bhero Chandio Bypass and non-payment to the contractor against his verified IPC,s). Therefore The Engineer of the project recommended as Extension of Time for construction contract upto January 31, 2014.

Keeping in view The Engineer's recommendations, Addendum No. 02 for consultancy services of Construction Supervision of Larkana - Kamber project has been prepared up to March 31, 2014 based on originally approved contract rates for its formal approval from the competent authority.

Construction activities at the project are substantially completed with only ancillary work remaining. Subject Addendum is being processed for clearing the long outstanding back log of the supervision consultants. It is pertinent to mention here that no further extension of time will be required for supervision of the remaining works i.e. supervisory consultants will manage supervision of balance / ancillary works from within the approved amount of this Addendum No. 02.

Salient Features:

➤ Supervisory Consultant	:	M/s ACE
➤ Original Consultancy Cost	:	Rs. 7,891,000/-
➤ Cost of Addendum # 1	:	Rs. 39,474,733/-
➤ Revised cost upto Addendum #1	:	Rs. 47,365,733/-
➤ Cost of Addendum # 2	:	Rs. 7,047,162/-
➤ Revised cost upto Addendum #2	:	Rs. 54,000,390/-
Percentage above then approved cost		
➤ Upto Addendum # 2	:	14.8%
➤ Percentage then original cost	:	89%
➤ Extension requested	:	from April 2013 to Mar, 2014

Decision solicited:

The executive board is requested to approve addendum # 2 of M/s Associated Consulting Engineers (Pvt.) Ltd. for construction supervision of Larkana - Kamber Road Project amounting to Rs. 7,047,162/- with revised consultancy cost of Rs. 54,000,390/- with overall percentage increase of 684% and 89% above then original approved cost.

WORKING PAPER

**ADDENDUM NO.04 AND EXTENSION OF TIME FOR
CONSTRUCTION SUPERVISION OF REHABILITATION OF
KAMBER TO SHAHDADKOT ROAD PROJCT**

1. BRIEF HISTORY

Contract for Rehabilitation of the Kamber-Shahdadt Road Project was awarded to M/s Al-Mehran Builders Pak (Pvt.) Ltd and the date of agreement was 14th January, 2010 at cost of Rs.1,043 Million (Original). The date of commencement was fixed as 20th April, 2010 with completion date April 2011 (12 Months).

M/s ACC (Pvt.) Ltd., was appointed as a Supervisory Consultant at a cost of Rs.11,120,625.00

1. JUSTIFICATION OF EOT & ADDENDUM NO.04

Addendum No.04 has been initiated due to following:-

To ensure continuous effective supervision of construction works up to 30th June, 2015, and as per consultancy agreement, the services of Resident Engineer, Quantity surveyor and support staff will be required for two Months after the completion of project i.e up to 31st August, 2015.

Addendum No.04 amounting to Rs.6,972,689/- is an increase of 14.93% over the revised cost of Addendum No.03 and 382.77% from original contract amount. The charge rate of staff and direct costs applied for Addendum No.04 are as per provision in the original contract agreement of M/s Associated Consultancy Centre (Pvt.) Ltd.

2. TIME EFFECT

Addendum No.04 involves the extension of time in the consultancy services i.e. construction supervision & account finalization of the project for period of 14 Months i.e 01st July, 2014 to 31st August, 2015.

3. FISCAL SUMMARY

I.	Original Consultancy Cost	Rs. 11,120,625.00
II.	Cost of Addendum No.01	Rs. 12,293,048.00
III.	Revised Cost with Addendum No.01	Rs. 23,413,673.00
IV.	Cost of Addendum No.02	Rs. 18,870,314.00
V.	Revised Cost with Addendum No.02	Rs. 42,283,987.00
VI.	Cost of Addendum No.03	Rs. 4,430,748.00
VII.	Revised Cost with Addendum No.03	Rs. 46,714,735.00
VIII.	Cost of Addendum No.04	Rs. 6,972,689.00
IX.	Revised Cost with Addendum No.04	Rs. 53,687,427.00
X.	% above Revised Cost of Addendum No.04	14.93%

4. RECOMMENDATION

Executive board is requested to accord approval of Addendum No.04 amounting to Rs.6,972,689/- on account of extension in service of supervisory consultant of M/s ACC up to 31st August, 2015 for construction supervision and account finalization.

**Working Paper for
The NHA Executive Board**

Subject: REHABILITATION OF CHAKDARA – FATEHPUR SECTION (82 KM) OF NATIONAL HIGHWAY N-95

BACKGROUND

1. The PC-I for the Widening & Improvement of Mingora-Fatehpur road (N-95, 45 Km) amounting to Rs. 4.5 Billion was presented in 234th NHA Ex. Board meeting held on 22-4-2014 and finalized at the rationalized cost of Rs. 3.8 Billion.

The chief Minister of KPK desired that the scope of work of the project shall be increased from Chakdara to Mingora Fatehpur (82 KM) within the available financing of US \$33.90 Million, financed by Saudi Fund for Development (SFD) for Malakand Region. The PC-I has been prepared with the changed scope of work i.e; "Rhabilitation of Chakdara-Mingora-Fatehpur, 82 KM of N-95".

THE PROJECT

2. Location: Total length of this section is 82 Km, starting from Chakdara and ends just after the town of Fatehpur. The alignment passes through scattered population centres and agricultural lands and is nestled between the hillside on the east side and the Swat River on the west. Here the terrain is generally hilly but higher grades are not encountered frequently. Major towns/ villages in this section are Fizaghat, Sangota, Manglor, Charbagh, Arambagh, Gullibagh, Walibagh, Khawazakhela, Baagh, Dheri and Fatehpur. Project Location Map is attached at **Annex-A**.

3. Existing Conditions: The road generally is in a dilapidated state throughout with pot-holes / broken pavement structure making vehicular travel quite difficult. Apart from a few kilometers in the start (where the road is 7m wide), the road width is generally between 5m & 6m with untreated

shoulders. The geometrics and drainage needs improvement throughout the section.. Most of the retaining walls and breast walls are in fair condition.

4. TECHNICAL FEATURES of the project are as follow:

- Road Geometric Standards: AASHTO geometric guidelines have been used as Geometric Standard for the design of the Project.
 - Length of Road: 82 Km
 - Lanes: 02
 - Carriageway Width: 7.3m
 - Shoulders(Outer) 2.0m

- Pavement Design: Pavement components and thickness for a 10 year period are summarized as follows:
 - Asphaltic Wearing Course: 50 mm
 - Asphaltic Base Course: 80 mm
 - Aggregate Base Course: 250 mm
 - Formation of embankment: 100 mm
 - Aggregate Base Course: 350 mm on shoulder

- Design Speed: The proposed design speeds are as follow;
 - Flat Terrain; 90 Km/h.
 - Rolling Area: 80 Km/h.
 - Hilly Area: 60 Km/h.
 - Mountainous Area; 40 Km/h.

COST OF THE PROJECT:

5. Summary of the project cost is summarized hereunder:

SUMMARY OF THE PROJECT COST

Sr No	Description	Total (Rs)
1	Earth Work	94,864,718.70
2	Sub-Base And Base Courses	1,435,272,502.56
3	Surface and Pavement	904,719,361.90
4	Structures	120,498,797.42
5	Drainage, Erosion Works	261,842,729.73
6	Highway Safety	185,882,406.05
7	Engineer Facilities	25,189,000.00
Total Cost of Construction		3,028,269,516.36
Contingencies @ 2%		60,565,390.33
NHA Establishment Charges @ 1%		30,282,695.16
Construction Supervision Fee @ 3%		90,848,085.49
Price Escalation 6.5% on 2nd Year amount		137,786,262.99
Environmental Charges		10,000,000.00
Land Acquisition		60,000,000.00
Shifting Of Utilities		35,956,667.00
Total Cost of Project (Rs)		3,453,708,617.34

6. Financial Phasing of the Project

(Rs in Million)

Description	1 st Year	2 nd Year	Total
%age	30%	70%	100 %
Funding Requirement	1,036.1	2,417.6	3,453.71

IMPLEMENTATION SCHEDULE:

8. The Project planned for completion in 24 months.

FINANCIAL ASSISTANCE:

09. The project is being financed by Saudi Fund for Development (SFD) through Provincial Reconstruction, Rehabilitation Authority (PaRRSA).

DECISION SOLICITED:

NHA Executive Board is requested to clear the **PC-I for Rehabilitation of Chakdara – Fatehpur Section (N-95, 82 KM)** costing **Rs 3,453.71 Million** and recommend its onward forwarding to the Provincial Reconstruction, Rehabilitation Authority (PaRRSA), Govt. of Khyber Pakhtunkhwa.
