



TRANSPARENCY INTERNATIONAL-PAKISTAN

7 January, 2020

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, Karachi.
Tel: (92-21)-35390408, 35390409, Fax: 35390410
E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

Director General,
Mr. Hasan Nasir Jamy,
Pakistan Civil Aviation Authority,
Terminal I, Karachi Airport,
Karachi.

**Sub: Complaint against Pre-Qualification, Tendering Process and Award of Works
by PCAA for Improvement/Rehabilitation of Secondary Runway, at Faisalabad
International Airport, in Violation of PPRA Rules & Regulations.**

Dear Sir

Transparency International Pakistan has received a complaint against Pre-Qualification, Tendering Process and Award of Works by PCAA for Improvement /Rehabilitation of Secondary Runway ,at Faisalabad International Airport, in Violation of PPRA Rules & Regulations.

The complainant has alleged that;

1. The Engineering Services (ES), Directorate of the Pakistan Civil Aviation Authority (PCAA), functioning under Acting Director Engineering Services, a junior officer who is illegally/out of turn placed at this position, and Dy. DGCAA (APS) (un-qualified to hold the position and under investigation for his fake degree) under whom the ES Directorate presently functions.
2. The ES Directorate initiated the process for award of works for "Improvement I Rehabilitation of Secondary Runway at Faisalabad International Airport" in March 2019, in irregular manner.
3. The Engineering Services Directorate submitted a PC-I in the 178th Meeting of the PCAA Board held on 21st March 2019 worth Rs. 1200 Million, to which the Board objected to the cost being exorbitant for said rehabilitation works. On the very next day of the Board Meeting, the PC-I cost was astonishingly reduced by 33% by ES Directorate to Rs. 750 Million. An in-principle approval was accorded by the PCAA Board, however no cost approval was given and there Board directed that cost analysis for the complete scope be carried out with Pakistan Air Force, and submitted for the Board's approval
4. Without undertaking the costing exercise, as directed by PCAA Board, as well as without an approval of cost by the competent forum i.e. PCAA Board, the ES Directorate wrongly invited Pre-qualification of Contractors through press publication on the very next day.
5. The notice was purposely published in relatively lesser circulated and read newspapers on 23rd March 2019, which is against PPRA Rules 2004.
6. Moreover, the Pre-qualification process was faulty as it did not cover the entire scope of works to the chosen Contractors Contractors specialization in civil works as per the Pakistan Engineering Council (PEC) code of CE-01 and CE-10 were sought, but neither any electrical works specialization was sought from applicant firms, nor a specialized electrical works sub-contractor was made mandatory, whereas the works include provisioning & installation of Airfield Lighting system, which is a complex task and required to be undertaken by specialist contractor as per ICAO stipulates having an approximate 20% of the project cost. These works are later indicated in tender documents.
7. Design of works were developed in-house by the ES Directorate with drawings / being signed by an engineer who is not a registered PEC "Professional Engineer", which is required as per PEC bylaws, and also ordered to be followed by the Supreme Court of Pakistan.



8. Moreover the design was prepared in haste, and without undertaking any basic geo-tech/ soil investigations on-site. At this stage, after award of letter of acceptance of the bid, a geo-tech investigation has been tendered by ES Directorate on 2nd December 2019 and that too with illegal discretionary conditions for issuance of tender to chosen bidder.
9. This practice is irregular and unheard-of as geo-tech investigations are always undertaken prior to design. It can only be contemplated that this is being undertaken for a post award design & scope amendment to favour the successful contractor. Furthermore, hiring of a consultant was not undertaken for this cost intensive project, contrary to clear instructions of the Planning Commission.
10. **The acting Director ES fraudulently issued an Admin Approval for these works on 8 October 2019 with approved cost of Rs. 750 Million indicating approving authority to be 178th Meeting of PCAA Board, whereas neither in the Board meeting, nor in any subsequent Board meeting, the Board has issued approval of cost for these works.**
11. Conveniently, the E&M component was incorrectly indicated in cost abstract as Rupees 30 Million, whereas actually its approximate cost is Rs. 80-90 Million.
12. Tender was invited following which an addendum was issued on 25th September 2019 after approval of A/Director ES, the performance guarantee for works was illegally lowered from 10% to 5%. The standard stipulated by PEC for performance guarantee is also 10% and the same was also notified in the tender documents issued for these works. Lowering of the performance guarantee without any cogent reason is unheard of & undertaken to facilitate favoured Contractor.
13. This is also pointed out that though more than 15 firms were pre-qualified for this) project, however only 3 firms submitted bids, as ES officials unofficially discouraged firms to submit bids.
14. The Bids were opened under single stage- single envelope procedure on 2 October 2019 and M/s Tahir Builders (Pvt) Ltd with a bid of Rs. 548.3 Million was declared the lowest.
15. A Letter of Acceptance (LoA) of bid was issued to the said firm with instructions to complete documentation within 14 days to enable signing of contract and issuance of Letter of Commencement (LoC).
16. This bid was 27% lower than the Admin Approval and 21% lower than the Engineer's Estimate and hence significantly differed from the estimate. In line with IB clause 28.4, the performance guarantee was required to be enhanced to protect the employer against financial loss in the event of default of the bidder, whereas it was on the other hand reduced from 10% to 5% to favour the contractor.
17. Soon after the bid opening, a campaign was started to revise the design of the works in order to enhance the quantities to cover any losses of the lowest bidder i.e. M/s Tahir Builders (Pvt) Ltd who are accomplices of A/Director ES and Dy. DGCAA (APS) as they recently were also awarded work of secondary runway of Lahore airport by these PCAA officials.
18. Under pressure, some airlines were made to write to PCAA that the design prepared is not adequate for their operations, hence the thickness of the asphaltic overlay has been redesigned.
19. It is pointed out that at this stage a post bid change in design (and cost) is illegal as per PPRA and PEC Rules 2004.
20. Work is under award to M/s Tahir Builders as Letter of Acceptance (LoA) was issued on 23rd Oct 2019 despite all the procedural irregularities mentioned above, in connivance with officers of CAA.



21. The contract is yet to be signed and hence letter of Commencement (LoC) yet to be issued , despite a passage of 56 days after issuance of LoA. The period for completion of works i.e. 180 days shall only commence from the date of issuance of LoC.
22. The work has been started and contractor mobilised at site illegally prior to signing of contract and issuance of LoC, as also confirmed from A/Director ES letter dated 29 October 2019.
23. **This illegal act shall provide M/s Tahir Builders extra number of days to complete the work (prior to signing of contract and issuance of LoC). It may also lead to an early completion of works as officially the countdown of days has not started, thus giving the said firm a chance to illegally avail further monetary benefit of an early completion bonus upto 5% of the contract value.** This act may also compromise the security of airside at Faisalabad airport as no formal contract agreement is signed.
24. Dy. DGCAA (APS) runs the ES Directorate under his shadow which he is not qualified to perform as the is un-qualified (holder of a fake/un-verified B.A. degree issued from Multan) and has been involved in many corruption scandals in the past and has direct connections and vested interests to , facilitate M/s Tahir Builders.

The complaint is examined by TI Pakistan experts, and following are our observations,
The Procurement has been made in violations of PPRA Rules 2004, and if not addressed by CAA , prima facia this procurement may be declared as mis-procurement under Rule No 50, and it may also attract application of Rule No 2 (f). Corruption and Corrupt practices.

The DG PCAA is requested to kindly examine the complaint ,and if found correct, reinstate the tender, and take necessary action against all those officers involved in corrupt practices.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With Regard,

Zia Perwez
Former Judge of Supreme Court of Pakistan
Trustee- TI-Pakistan

Copies forwarded for the information with request to take action under their mandate to:

1. Secretary to Prime Minister, Islamabad.
2. Chairman, NAB, Islamabad.
3. Registrar, Supreme Court of Pakistan, Islamabad.
4. Managing Director, PPRA, Islamabad.

17th December 2019.

The Chairperson,
Transparency International Pakistan,
4-C, Mezzanine Floor, Khayaban-e-Ittehad, Phase VII
Defence Housing Authority
Karachi.

Subject: **Complaint against Pre-Qualification, Tendering Process and Award of Works by PCAA for Improvement / Rehabilitation of Secondary Runway at Faisalabad International Airport.**

Dear Chairman Sahab,

This is a formal complaint against the Engineering Services (ES) Directorate of the Pakistan Civil Aviation Authority (PCAA), functioning under Acting Director Engineering Services (a junior officer who is illegally/out of turn placed at this position) and Dy. DGCAA (APS) (un-qualified to hold the position and under investigation for his fake degree) under whom the ES Directorate functions.

It is submitted that the ES Directorate initiated the process for award of works for "Improvement / Rehabilitation of Secondary Runway at Faisalabad International Airport" in March 2019, in an out of procedure and fraudulent manner, chain of events of which are as under:

- a. Engineering Services Directorate submitted a PC-I in the 178th Meeting of the CAA Board held on 21st March 2019 worth Rs. 1200 Million, to which the board objected to the cost being exorbitant for said rehabilitation works. On the very next day of the Board Meeting, the PC-I cost was astonishingly revised by ES Directorate to Rs. 750 Million. An ir-principle approval was accorded by the CAA board however no cost approval was given and board directed that cost analysis for the complete scope be carried out with Pakistan Air Force (Annex – A).

- b. Without undertaking the exercise directed by CAA Board and without an approval of cost by the competent forum i.e. CAA Board, ES Directorate wrongly invited Pre-qualification of Contractors through press publication on the very next day. The notice was purposely published in relatively lesser circulated and read newspapers on 23rd March 2019 (Annex-B). Further, the Pre-qualification process was faulty as it did not cover the entire scope of works, to favour Contractors of its choice. Contractors specialization in civil works as per the Pakistan Engineering Council (PEC) code of CE-01 and CE-10 were sought but neither any electrical works specialization was sought from applicant firms nor a specialized electrical works sub-contractor was made mandatory, whereas the works include provisioning & installation of Airfield Lighting system, which is a complex task required to be undertaken as per ICAO stipulates having an approximate 20% of the project cost. These works are later indicated in tender documents (Annex-C).
- c. Design of works was developed in-house by the ES Directorate with drawings being signed by an engineer not classified as a "Professional Engineer", which is required as per PEC bylaws. Moreover the design was prepared in haste and without undertaking any basic geo-tech / soil investigations on-site. At this stage, after award of letter of acceptance of the bid, a geo-tech investigation has been tendered by ES Directorate on 2nd December 2019 (Annex-D) and that too with illegal discretionary conditions for issuance of tender to prospective bidders. This practice is irregular and unheard-of as geo-tech investigations are always undertaken prior to design. It can only be contemplated that this is being undertaken for a post award design & scope amendment to favour the successful contractor. Furthermore, hiring of a consultant was not undertaken for this cost intensive project, contrary to clear instructions of the Planning Commission.
- d. Acting Director ES fraudulently issued an Admin Approval for these works on 8th October 2019 with approved cost of Rs. 750 Million indicating approving authority

to be 178th Meeting of CAA Board (Annex-E) whereas neither this board meeting nor any subsequent board meeting has issued approval of cost for these works. Conveniently, the E&M component was incorrectly indicated in cost abstract as Rupees 30 Million, whereas actually its approximate cost is Rs. 80-90 Million.

- e. Tender was invited following which an addendum was issued on 25th September 2019 after approval of A/Director ES, the performance guarantee for works was illegally lowered from 10% to 5% (Annex-F). The standard stipulated by PEC for performance guarantee is also 10% and the same was also notified in the tender documents issued for these works (Annex-G). Lowering of the performance guarantee without any cogent reason is unheard of & undertaken to facilitate favoured Contractor(s).
- f. It is also pointed out that though more than 15 firms were pre-qualified for this project, however only 3 firms submitted bids, as ES officials unofficially discouraged firms to submit bids.
- g. Bids were opened under single stage - single envelope procedure on 2nd October 2019 and M/s Tahir Builders (Pvt) Ltd with a bid of Rs. 548.3 Million was declared the lowest. A Letter of Acceptance (LoA) of bid was issued to the said firm (Annex-H) with instructions to complete documentation within 14 days to enable signing of contract and issuance of Letter of Commencement (LoC).
- h. This bid was 27% lower than the Admin Approval and 21% lower than the Engineer's Estimate and hence significantly differed from the estimate. In line with IB clause 28.4 (Annex-I), the performance guarantee was required to be enhanced to protect the employer against financial loss in the event of default of the bidder, whereas it was on the other hand reduced from 10% to 5% to favour the contractor.

- i. Soon after the bid opening, a campaign was started to revise the design of the works in order to enhance the quantities to cover any losses of the lowest bidder i.e. M/s Tahir Builders (Pvt) Ltd who are accomplice of A/Director ES and Dy. DGCAA (APS) as they recently were also awarded work of secondary runway of Lahore airport by these PCAA officials.
- j. Under pressure from Dy. DGCAA (APS), some airlines were made to write that the design prepared is not adequate for their operations, hence the thickness of the asphaltic overlay be re-designed. It is pointed out that at this stage a post bid change in design (and cost) is illegal as per PPRA and PEC guidelines.
- k. Work is under award to M/s Tahir Builders as Letter of Acceptance (LoA) was issued on 23rd Oct 2019 despite all the procedural irregularities mentioned above, on pursuance of and in connivance with Dy. DGCAA (APS) (Mr. Amir Mehboob) and A/ Director ES (Ms. Rabia Salma).
- l. The contract is yet to be signed and hence letter of commencement (LoC) yet to be issued, despite a passage of 56 days after issuance of LoA. The period for completion of works i.e. 180 days shall only commence from the date of issuance of LoC.
- m. The work has been started and contractor mobilized at site illegally prior to signing of contract and issuance of LoC, as also confirmed from A/Director ES letter dated 29th October 2019 (Annex-J). This illegal act shall provide M/s Tahir Builders extra number of days to complete the work (prior to signing of contract and issuance of LoC). It may also lead to an early completion of works as officially the countdown of days has not started, thus giving the said firm a chance to illegally avail further monetary benefit of an early completion bonus upto 5% of the contract value. This act may also compromise the security of airside at Faisalabad airport as no formal contract agreement is signed.

The reasons for the above acts are elaborated below:

- Mr. Syed Amir Mehboob, Dy. DGCAA (APS) runs the ES Directorate under his shadow which he is not qualified to do. He is un-qualified (holder of a fake/un-verified B.A. degree issued from Multan) and has been involved in many corruption scandals in the past. Mr. Mehboob has for his own direct connections and vested interests, facilitated M/s Tahir Builders.
- Ms. Rabia Salma, is a very junior officer of the engineering cadre with no experience of maintaining airports or undertaking / execution of projects. She is illegally/out of seniority placed as Acting Director ES, to meet the illegal requirements of Dy.DGCAA (APS) and there is a lot of in house resentment in PCAA against her placement at the senior most post of Engineering cadre.

It is requested to take cognizance of the above facts. A formal investigation may be launched against the willful procedural omissions pointed out and the officials behind these acts. The illegal ward of subject works be halted forthwith.

Thanking You.

AGGRIEVED CONTRACTORS

ADHOC ITEM - 4 : REVISION OF PRIME MINISTER'S ASSISTANCE PACKAGE FOR FAMILIES OF GOVERNMENT EMPLOYEES WHO DIE IN SERVICE [Taken up with the permission of the Chair]

DECISION:

43. CAA Board directed that approval of this item be got through circulation.

[Action by: Director HR / Secretary CAA Board]

ADHOC ITEM - 5 : APPOINTMENT OF AUDITORS FOR FINANCIAL YEARS 2018-19, 2019-20 AND 2020-21 [Taken up with the permission of the Chair]

DECISIONS:

48. (a) CAA Board approved for appointment of M/s Grant Thornton Anjum Rehman Chartered Accountants as Auditors and Half Yearly Review of CAA's Accounts for the year 2018-19 at the Audit Fee of Rs. 3,844,800/- including Out of Pocket Expenses and Sindh Sales Tax.

[Action by: Director Finance]

(b) In order to decrease the audit observations, the Board directed CAA to strengthen the Internal Audit Branch of CAA.

[Action by: Director HR/Addl Director Internal Audit]

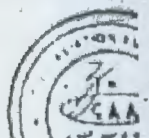
ADHOC ITEM - 6 : PC-1 FOR IMPROVEMENT/REHABILITATION OF SECONDARY RUNWAY 03L/21R AT FAISALABAD INT'L AIRPORT [Taken up with the permission of the Chair]

DECISION:

51. After due deliberations, CAA Board approved, in principle, improvement / rehabilitation of secondary runway 03L / 21R at FIAP. However, CAA Board directed that the cost analysis including lights and drainage be carried out in consultation with PAF.

[Action by: Director Engineering Services]

X-----X-----X



Lahore

Dated : 23-03-2019



PAKISTAN CIVIL AVIATION AUTHORITY (PCAA)

Notice For Prequalification of Contractors

1. Pakistan Civil Aviation Authority (PCAA) is planning to undertake subject works to improve/rehabilitate the existing surface of Secondary Runway at Faisalabad International Airport.
2. The components of the works in the project shall consist of, but not limited to the following:
 - (a) Asphaltic Overlay on Runway Surface
 - (b) Pavement Markings
 - (c) Rehabilitation/Strengthening of existing shoulders
 - (d) All Associated Works with the Components mentioned above
3. Reputable local firms/contractors registered with Pakistan Engineering Council (PEC) in Category C-2 or above having specialization codes CE-01 and CE 10 possessing prior experience and expertise in Construction/Rehabilitation of Rigid and Flexible pavements and having adequate organizational structure and financial soundness are invited to apply for prequalification. Only the firms with demonstrated experience in similar assignments will be considered and notified for further participation in the selection process as per requirements given in the "Prequalification Document".
4. The Prequalification Document and Prequalification Notice can either be purchased from the under mentioned office or be downloaded from CAA's website: www.caapakistan.com.pk and PPRA's website: www.ppra.org.pk.
5. The filled-up documents, duly supported with the requisite information/ detailed documents in specific format provided in the Prequalification Document, should be sent in a sealed envelope by hand or through registered mail/courier along with an amount of PKR 5,000/- (Non-Refundable) in the form of Pay Order/Bank Draft in favour of Pakistan Civil Aviation Authority which should reach to under mentioned office not later than 9th April, 2019 till 1700 hours.
6. The envelope shall be clearly marked "Application for Prequalification of Contractors for "Improvement/rehabilitation of Secondary Runway (Rigid) at Faisalabad International Airport.
7. PCAA reserves the right to accept or reject any or all applications for sufficient and cogent reasons, which will be communicated to the concerned on request and no claim whatsoever in this respect shall be entertained.

Divisional Engineer (Civil)
Engg. Services Division Civil
Pakistan Civil Aviation Authority
Faisalabad International Airport, Faisalabad
Phone: (92-41) 9201618, Fax: (92-41) 9201617

For Employer

For Contractor

SECTION 2 - BIDDING DATA

Clause reference is made to Instructions to Bidders

1.1 Name and address of the Employer:

PAKISTAN CIVIL AVIATION AUTHORITY, HEADQUARTERED AT
TERMINAL-1, JIAP, KARACHI, PAKISTAN

Through

OFFICE OF THE DIVISIONAL ENGINEER (CIVIL), ENGINEERING
SERVICES, CIVIL AVIATION AUTHORITY, FAISALABAD
INTERNATIONAL AIRPORT, FAISALABAD

1.2 Name of the Project & Summary of the Works:

IMPROVEMENT / REHABILITATION OF SECONDARY RUNWAY
(RIGID) AT FAISALABAD INT'L AIRPORT

The components of the Works shall consist of, but not be limited to the following:

- Surface preparation including crack filling and sealing.
- Replacement of existing damaged PQC slabs.
- Asphaltic overlay of secondary runway as per design.
- Making fillets at Intersections with Taxiways.
- Preparation of shoulders.
- Provision of overlay on Shoulders.
- Provision and installation of AFL Lighting System as per requirements.

8.1 Time limit for clarification:

Minimum number of days to seek clarification by the prospective bidder is seven (07) days prior to the deadline for submission of bids.

10.1 Bid language:

English

14.1 Period of Bid Validity:

Bid validity period shall be 120 days, and will be counted from the date of opening of the bids.

15.1 Amount of Bid Security:

The amount of bid security shall be the equivalent of two percent (2%) of the total amount of quoted bid.

On Law
Deputy Director (Civil)
Civil Works Division Faisalabad
CAA Faisalabad Int'l Airport

(xx)

For Contractor



TENDER NOTICE

Application are invited for sealed tenders by civil aviation authority duly supported with documentary evidence from those contractors having valid NTN, Professional Tax Certificate and on the active taxpayer list of FBR and having sufficient experience of such works for the work mention below:-

Sr. No	Name of Work	Date of Opening
a)	ALLIED & ASSOCIATED WORKS FOR GEO TECHNICAL INVESTIGATION ON SECONDARY RUNWAY (ABANDONED) RUNWAY AT FAISALABAD AIRPORT	17-12-2019

Tender form can be purchased from the office of the undersigned on payment of Rs. 500/- tender cost (Non-refundable) with written request.

Tender will be issued only to those contractors/firms who will be suitable considering their previous performance and experience

Earnest money at the rate of 2 % of tender amount in favor of "Civil Aviation Authority" should be enclosed with the tender documents in shape of pay order/bank draft from any schedule bank of Pakistan. Tender without earnest money will not be entertained.

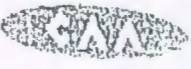
The tender will be received at 1100 Hrs. and will be opened on the same day at 1130 Hrs. in the office of the undersigned in the presence of intending contractors or their representative

No tender will be sold by post or on the date fixed for opening of tender.

Conditional tenders shall not be entertained.

PCAA reserve all rights to accept or reject any or all the tenders for sufficient and cogent reasons which will be communicated to the bidder on request.

Divisional Engineer (Civil)
E S Civil works Division Faisalabad
CAA, Faisalabad Int'l Airport
Ph. 041-9201618

	CIVIL AVIATION AUTHORITY Admin. Approval	CAAF-001-DECW-1.0
	Civil Works, HQCAA Branch Engineering Services Directorate	

ADMIN APPROVAL NO. 02 /2019-20-W CURRENT BUDGET WORK (HQCAA)

1. Admin Approval & Expenditure Sanction is hereby accorded for the execution of work **"IMPROVEMENT / REHABILITATION OF SECONDARY RUNWAY (RIGID) AT FAISALABAD INTERNATIONAL AIRPORT"** at an estimated cost of Rs. 750.00 (M) (Rupees Seven Five Zero Point Zero Zero Millions only) as per Annexure to this L.M.

Name of Scheme : Improvement /Rehabilitation of Secondary Runway (RIGID) at Faisalabad International Airport

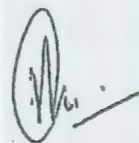
Approved cost : Rs. 750.00 (M)

Head of Account : 5201001-203001 R/M Runway
Expenditure during 2019-2020.

Nature of Scheme : Self Financing

Approving Authority : CAA Board (178th Meeting)

2. Funds may please be released to site formation CAA upon demand.



(ENGR. RABIA SALMA)
A/Director Engineering Services

Dated: 8th October, 2019

L.M.No. HQCAA/1604/03/44/ESCW/22/

Distribution:

- > Director Finance, HQCAA
- > Director (P&D) HQCAA, Karsaz, Karachi
- > Additional Director (Civil) M&D (Punjab Zone), AllAP, Lahore
- > Additional Director (QC&M), HQCAA
- > Additional Director (Proj. Fin) HQCAA
- > Additional Director Accounts, HQCAA
- > Additional Director E.S. (E/M), HQCAA
- > APM, CAA FIAP, Faisalabad.
- > Divisional Engineer, Civil Division, M&D AllAP, Lahore.
- > Master File.

- With the request to release funds upon demand.

ANNEXURE TO THE L.M NO.
HQCAA/1604/03/44/ESCV/
DATED: 8th OCTOBER, 2019

HQ CIVIL AVIATION AUTHORITY
(Engineering Services Directorate)

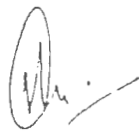
IMPROVEMENT /REHABILITATION OF SECONDARY RUNWAY (RIGID)
AT FAISALABAD INTERNATIONAL AIRPORT

AIRPORT ABSTRACT OF COST

Sub-Head	Description	Amount
SH:-1	Civil Works	Rs. 666.00 (M)
SH:-II	E/M Works	Rs. 30.00 (M)
	Net Total	Rs. 696.00 (M)
	Add 5% for Escalation / Contingencies	Rs. 35.00 (M)
	Add 0.5% CSR Clean & Green Pakistan	Rs. 4.00 (M)
	Add 2% Work Charged Establishment	Rs. 14.00 (M)
	Grand Total	Rs. 749.00 (M)
	Say	Rs. 750.00 (M)



(KHALIL AHMED ABBASI)
Sr. Dy. Director E.S. (Civil Works)



(ENGR. RABIA SALMA)
A/Director Engineering Services

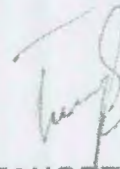
Faisalabad Int'l Airport
Off: 041-9201618
Fax: 041-9201617

Ref No: FIAP/1443-15/050/FACV/1715

Dated: 24 Sep, 2019

IMPROVEMENT/REHABILITATION OF SECONDARY RUNWAY (RIGID)
AT FAISALABAD INT'L AIRPORT

1. Reference is made to numerous letters from contractors and pre bid meeting held on 17th September, 2019 on the above subject
2. The following addendum is hereby issued for inclusion in the bid documents already issued to all bidders.
3. Please read the addendum carefully and bid shall be made in accordance with this addendum to bid. **This is issued after approval from competent authority.**
4. This is for your further necessary action please.



(ENGR. TAUQEER IQBAL)
Divisional Engineer (M&D)
ES Civil Works, Faisalabad

Encl: 3 pages

To,
Qavi Engineers (Pvt) Ltd
Suite No 4, 1st Floor Changez Palace Markaz-9 Islamabad
Ph # 0514447154

C.C:

- Director Engineering Services, HQCAA

Appendix A to bid page no 28 Sr. No 3 Amount of performance security.

please replace from 10% to 5%

THE CLAUSE 70.1 IS REPLACED WITH FOLLOWING

70.1 INCREASE OR DECREASE OF COST

Sub-Clause 70.1 is deleted in its entirety, and substituted with the following:

The amounts payable to the Contractor, pursuant to Sub-Clause 60.1, shall be adjusted in respect of the rise or fall in the cost of labor, materials, and other inputs to the Works, by applying to such amount the formula prescribed in this Sub-Clause.

(A) OTHER CHANGES IN COST

To the extent that full compensation for any rise or fall in costs to the Contractor is not covered by the provisions of this or other Clauses in the Contract, the unit rates and prices included in the Contract shall be deemed to include amounts to cover the contingency of such other rise or fall of costs.

(B) ADJUSTMENT FORMULA

The adjustment to the monthly statements in respect of changes in cost shall be determined from the following formula:-

$$P_n = A + b \frac{L_n}{L_o} + c \frac{M_n}{M_o} + d \frac{E_n}{E_o} + \dots$$

Where:

P_n is a price adjustment factor to be applied to the amount for the payment of the work carried out in the subject month, determined in accordance with Paragraph 60.1 (a), and with Paragraphs 60.1 (b) and (e), where any variations and daywork are not otherwise subject to adjustment;

A is a constant, specified in Appendix-C to Bid, representing the nonadjustable portion in contractual payments;

b, c, d , etc., are weightages or coefficients representing the estimated proportion of each cost element (labour, cement and reinforcing steel etc.) in the Works or Sections thereof, net of Provisional Sums and Prime Cost; the sum of A, b, c, d , etc., shall be one;

L_n, M_n, E_n , etc., are the current cost indices or reference prices of the cost elements for month "n", determined pursuant to Sub-Clause 70.1(d), applicable to each cost element; and

L_o, M_o, E_o , etc., are the base cost indices or reference prices corresponding to the above cost elements at the date specified in Sub-Clause 70.1(d).

(C) SOURCES OF INDICES AND WEIGHTAGES

The sources of indices shall be those listed in Appendix-C to Bid, as approved by the Engineer. As the proposed basis for price adjustment, the Contractor shall have submitted with his bid the tabulation of Weightages and Source of Indices if different than those given in Appendix-C to Bid, which shall be subject to approval by the Engineer.

(D) BASE, CURRENT, AND PROVISIONAL INDICES

For Employer

For Contractor

APPENDICES

BA-1

APPENDIX-A TO BID: SPECIAL STIPULATIONS

S.No.	Clause		Instruction to Bidders
1.	Bid Security	IB15.1	2% of Total Bid Amount
			Conditions of Contract
2.	Engineer's Authority to issue Variation in emergency	2.1	2% of the Contract Price stated in the Letter of Acceptance.
3.	Amount of Performance Security	10.1	10% of Contract Price stated in the Letter of Acceptance.
4.	Time for Furnishing Programme	14.1	Within fourteen (14) days from the date of receipt of Letter of Acceptance.
5.	Minimum amount of Third Party Insurance	23.2	Rs. 15 Million per occurrence with number of occurrences unlimited.
6.	Time for Commencement	41.1	Within 14 days from the date of receipt of Engineer's Notice to Commence which shall be issued within fourteen (14) days after signing of Contract Agreement.
7.	Time for Completion	43.1, 48.2	Six (06) calendar months from the date of receipt of Engineer's Notice to Commence.
8.	a) Amount of Liquidated Damages	47.1	At the rate of 0.05% of Contract Price stated in the letter of acceptance for each day of delay in completion of the Works subject to a maximum of 10% of Contract Price stated in the Letter of Acceptance.
9.	Defects Liability Period	49.1	365 calendar days from the effective date of Taking Over Certificate which may be extended to additional 180 calendar days with mutual consent of Employer and the Contractor.
10.	Percentage of Retention Money	60.2	10 % of the amount of Interim Payment Certificate.


 Deputy Director (Civil)
 For Civil Works Division Faisalabad
 CAA Faisalabad Int'l Airport

(28)

For Contractor

17.1 Venue, time, and date of the pre-Bid meeting:

21

The venue, time and date for the Pre-Bid meeting shall be notified by the Employer.

17.2 Add the following text at the end of the paragraph:

The Bidder shall notify the Employer of any inconsistencies, errors and omissions found in the Bidding Documents, prior to the date of bid opening. Withholding of any such information which will later materially affect the Contract Price during the construction may be considered as sufficient grounds for rejection of Bid.

The Employer is not responsible for any verbal communications or instructions to the Bidders.

18.4 Number of copies of the Bid to be completed and returned:

One original and two copies

19.2(a) Employer's address for the purpose of Bid submission:

"OFFICE OF THE DIVISIONAL ENGINEER (CIVIL), ENGINEERING SERVICES, CIVIL AVIATION AUTHORITY, FAISALABAD INTERNATIONAL AIRPORT, FAISALABAD".

19.2(b) Name and Number of the Contract:

IMPROVEMENT / REHABILITATION OF SECONDARY RUNWAY (RIGID) AT FAISALABAD INT'L AIRPORT

20.1(a) Deadline for submission of bids:

As mentioned in the "Invitation to Bid."

23.1 Venue, time, and date of Bid opening:

As mentioned in the "Invitation to Bid."

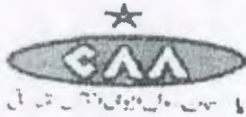
32.1 Standard form and amount of Performance Security acceptable to the Employer:

The Performance Security shall be of an amount equal to 10% of the Contract Price stated in the Letter of Acceptance. Such Security shall, at the option of the bidder, be in the form of either (a) Deposit at Call, or (b) Pay Order, or (c) Banker's Cheque, or (d) unconditional irrevocable bank guarantee from any Scheduled Bank in Pakistan, or (e) unconditional irrevocable bank guarantee from a bank located outside Pakistan duly counter-guaranteed by a Scheduled Bank in Pakistan. The Performance Security shall be valid for a period of 28 days beyond the Defects Liability Period.


Deputy Director (Civil)
Civil Works Division Faisalabad
CAA Faisalabad Int'l Airport

(xxi)

For Contractor



Annex - H
"Annex N"
OFFICE OF THE
DIVISIONAL ENGINEER E.S (CIVIL)
CIVIL DIVISION FAISALABAD
FAISALABAD INT'L AIRPORT
PH.NO.041-9201818
FAX.NO.041-9201817

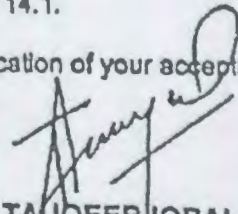
Ref. No.FIAP/1443-15/50-1/FACV/1777

Dated. 23 October, 2019

(LETTER OF ACCEPTANCE)

IMPROVEMENT / REHABILITATION OF SECONDARY RUNWAY (RIGID) AT
FAISALABAD INTERNATIONAL AIRPORT

1. It is to inform you that your firm's tender dated 2nd October, 2019 for the work cited above has been accepted by the competent authority for the amount of Rs.548,377,581/- as corrected accordance with the instructions to bidders subjected to conditions under which you tendered and on the terms as to the period of completion.
2. It is therefore requested to furnish following documents within 14-days of the receipt of this letter for executing the contract agreement failing which CAA reserve the rights to take appropriate action as per contract documents.
 - a) Certificate of sole proprietorship or the power of attorney in favor of person deputed to sign the agreement and other documents as per contract documents.
 - b) Non judicial stamp paper worth Rs. 10,000/- for the agreement as per financial rules of Punjab Province.
 - c) Contractor all Risk policy and Workmen Compensation policies from CAA's approved Insurance companies valid till the Completion of work as per clause 23.2
 - d) Performance bond guarantee from schedule bank of Pakistan approved by CAA in the amount of 5% of total bid amount on non-judicial stamp paper of appropriate value and it should be valid for a period of 28 days beyond the defect liability period as per clause 10.1.
 - e) The program shall be submitted in accordance with clause 14.1.
3. You are requested to sign and return one copy of this letter as indication of your acceptance.


(ENGR. TAUQEER IQBAL)
Divisional Engineer E.S (Civil)
Civil Works Division Faisalabad
CAA, Faisalabad Int'l Airport

To,

Tahir Builders Pvt Ltd & M/S Khalid & Brothers(JV)
Plaza No3, Street No,48 Raja Market F-11/3, Islamabad
Ph # 051-2114237-39

Copy to.

- > Director ES HQCAA, Terminal-1, JIAP, Karachi
- > Sr. Additional Director ES civil (Punjab zone), CAA AllAP, Lahore
- > Additional Director ES (Civil), HQCAA, JIAP Karachi
- > Chief Operating Officer/APM CAA, Faisalabad Int'l Airport
- > Sr. Deputy Director (Finance) CAA, Faisalabad Int'l Airport
- > Dy. Director (Civil) CAA, Faisalabad Airport

For Employer

For Contractor

- (a) where there is a discrepancy between the amounts in figures and in words, the amount in words will govern; and
- (b) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern, unless in the opinion of the Employer there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern and the unit rate will be corrected.

27.2 The amount stated in the Form of Bid will be adjusted by the Employer in accordance with the above procedure for the correction of errors and with the concurrence of the bidder, shall be considered as binding upon the bidder. If the bidder does not accept the corrected Bid Price, his Bid will be rejected, and the Bid Security shall be forfeited in accordance with Sub- Clause 15.6(b) hereof.

IB.28 Evaluation and Comparison of Bids

28.1 The Employer will evaluate and compare only the Bids determined to be substantially responsive in accordance with Clause IB.26.

28.2 In evaluating the Bids, the Employer will determine for each Bid the evaluated Bid Price by adjusting the Bid Price as follows:

- (a) making any correction for errors pursuant to Clause IB.27;
- (b) excluding Provisional Sums and the provision, if any, for contingencies in the Summary Bill of Quantities, but including competitively priced Daywork; and
- (c) making an appropriate adjustment for any other acceptable variation or deviation.

28.3 The estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be taken into account in Bid evaluation.

28.4 If the Bid of the successful bidder is seriously unbalanced in relation to the Employer's estimate of the cost of work to be performed under the Contract, the Employer may require the bidder to produce detailed price analyses for any or all items of the Bill of Quantities to demonstrate the internal consistency of those prices with the construction methods and schedule proposed. After evaluation of the price analyses, the Employer may require that the amount of the Performance Security set forth in Clause IB.32 be increased at the expense of the successful bidder to a level sufficient to protect the Employer against financial loss in the event of default of the successful bidder under the Contract.

F. AWARD OF CONTRACT

IB.29 Award

29.1 Subject to Clauses IB.30 and IB.34, the Employer will award the Contract to

For Employer
 Deputy Director (Civil)
 Civil Works Division Faisalabad
 CAA Faisalabad Int'l Airport

, (xvi)

For Contractor

From : Director Engineering Services
Headquarters Civil Aviation Authority
Terminal 1 JIAP, Karachi

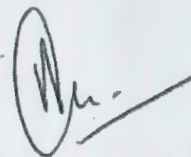
To : A/Additional Director ES E/M AllAP Lahore
OIC Civil Works Punjab Zone, FIAP, Faisalabad

Date : 29th October, 2019

Ref : HQCAA/1604/03/44/ESCW/1326

**IMPROVEMENT / REHABILITATION OF SECONDARY RUNWAY (RIGID)
AT FAISALABAD INTERNATIONAL AIRPORT**

1. Reference this office letter No. HQCAA/1604/03/44/ESCW22 dated 8th October 2019 regarding the subject matter.
2. Captioned work has been started and it includes E&M works regarding AFL. Additional Director ES E&M AllAP Lahore is hereby directed to look after E&M portion of the subject work and make necessary coordination with OIC Civil works Punjab Zone Faisalabad and contractors for smooth execution of the work.
3. All necessary arrangement should be made to ensure quality of work and trouble free operation.



(ENGR. RABIA SALMA)
A/Director Engg. Services
Telephone#:021-99072240

Copy to:

- Director P&D HQCA Karachi
- APM AllAP Lahore
- ADLD ES E&M HQCAA
- APM FIAP Faisalabad
- Adld QC&M HQCAA
- A/Adld Civil P.Z AllAP Lahore
- DDS Civil Punjab Zone ES Dte. HQCAA