



ZOMBA DISTRICT COUNCIL

CONTRACT NEGOTIATIONS

Agenda

Date:	Monday, 24 TH December, 2021
Venue:	Zomba District Council

1.0 Welcome remarks

2.0 Technical issues

- 2.1 Confirmation of tender price
- 2.2 Confirmation of scope of works
- 2.3 Availability of personnel
- 2.4 Availability of resources
- 2.5 Time control
 - 2.5.1 Contract programme
 - 2.5.2 Early warning
 - 2.5.3 Extension of time
 - 2.5.4 Subcontracting
 - 2.5.5 Monthly site meetings
- 2.6 Quality control: Testing requirements
- 2.7 Cost control
 - 2.7.1 Variations
 - 2.7.2 Use of contingency
 - 2.7.3 Addenda

3.0 Contractual Obligations

- 3.1 Contract Document – Agreement forms
- 3.2 Performance Guarantee
- 3.3 Advance Bank Guarantee

4.0 Other Stakeholders

- 4.1 Donors (World Bank)
- 4.2 General public
- 4.3 Ministry of Local Government
- 4.4 The media

5.0 General Contract Matters

- 5.1 Site Instructions
- 5.2 Site Diaries
- 5.3 Communication

6.0 Environmental, Health and Safety Issues

- 6.1 Safety
- 6.2 HIV / AIDS
- 6.3 Site clearance and sign boards
- 6.4 Social issues i.e. Gender based violence

7.0 Financial issues

- 7.1 Advance requirements
- 7.2 Measurements and certification
- 7.3 Insurances

8.0 Site Handover and start date

9.0 Any other business



Zomba District Council

CONTRACT NEGOTIATION ON CONSTRUCTION OF KASONGA GIRLS HOSTEL FENCE IN MALOSA
CONSTITUENCY IN ZOMBA

NEGOTIATION MEMBERS PRESENT

No.	Name	Designation	Signature
1	Mr. W. Chikuni (DPD)	IPDC ZOMBA	
2	Mr. MHM ASSAN (DOF)	IPDC ZOMBA	
3	Mr. H. Mara (DPW)	IPDC ZOMBA	
4	Mr. I.Ali (DADO)	IPDC ZOMBA	
5	Mrs.E.Moyo	IPDC ZOMBA	
6	Mr. Charles Chilunda	PRICHALA CIVIL ENGINEERING	

IPDC MEETING DETAILS

Description	Details
Opening Prayer	Volunteer from Contractors representative
Agenda	Consideration for various contract terms in construction of Kasonga Girls Hostel Fence in Malosa constituency.
Opening Remarks	<ul style="list-style-type: none">The IPDC Chairperson welcomed members and representatives of contractors who were present during the meeting. The Chairperson then called for a volunteer to open the deliberations with a prayer then self introduction by each member. First were members of Zomba District council's Internal Procurement and Disposal of Assets committee, followed by contractors and their representatives. The Chairperson then hand over to the Director of works to take members through the agenda of the negotiation.

Construction of Kasonga Girls Hostel Fence	Prichala Civil Engineering
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2.1 Confirmation of tender price

Confirmation of Bid Price read out

MK 40,612,245.10

Evaluation Corrected Price

MK 40,612,245.10

Optimised Contract value

MK 40,612,245.10

2.2 Confirmation of scope of work

Yes

2.3 Availability of key personnel

Yes

2.4 Availability of Resources

Yes, the contractor confirmed of the availability of Liquidity as indicated in the bid document

Yes, contractor confirmed of the availability of equipment as indicated in the bid document

Acceptance of Offer

Yes

2.5 Time control

2.5.1 contract programme

This contract terms concerns the time for the completion of the project. He reminded contractors time for the completion of the project indicated in the project is 90 days. He reminded Contractors to follow their work plan and organisation so that they are able to finish the works as expected.

2.5.2 Fairly warning

This contract terms concerns any unforeseen variations in the contract. The Director of works informed the contractor that any un planned events should be communicated to the client in writing in consultation with his office.

Extension of time	Contractors were reminded that extension of time for completion should be communicated to client in writing also through consultant.
2.5.4 Sub contracting	The Director of works also informed contractors that sub contracting is not accepted.

2.5.5 Monthly Site Meeting	The monthly site meeting also important element in contract administration because it is where parties are able share information about the actual position of the projects. All parties concerned ,client, contractors and client should agreed on specific dates of site meeting to avoid some inconveniencies regarding attendance of the meetings.
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2.6 Quality control	The Director of works also reminded contractors of this important element as it is one that affects the final work of the project. This involves testing of construction materials by contractor. He reminded them that no short cut should be done because the test should be shown to the client through Director of works.
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2.7 Cost Control

2.7.1 Variations	The Director of works informed contractors that cost control is also important area in contract management if they are to work within the budget. But when they are some variations in cost they should be done through the guidance of his office.
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2.7.2 use of Contingency	The Director of works informed the contractor that cost variations should be based on contingency that was put in the bid in consultation with the client.
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2.7.3 Addendum	The Director of works informed contractors that no addendum will be allowed and will work within the tight budget based on contract value that has been awarded. Contract value will act as our ceiling. Works to be done will be as specified in bill of quantities presented in the bid.
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3 Contractual obligations

3.1 Contract document	The Director of works informed contractor that the council will prepare the contract soon after the expiry of standstill period and it should be signed by the client and the contractors. The client will advise the contractor on time of site handover and start date is 14 days after site handover or soon after site handover.
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3.2 Contractor's all risk	The Director of works informed the contractors that they are required to
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insurance	provide risk insurance to cover all risks that the project can face.
3.3 Performance Guarantee	The Director of works informed contractor that they are required to obtain a performance guarantee and should be from recognized bank.

3.4 Advance Bank Guarantee	The Director of works informed the contractor that they have an opportunity to have an advance payment of 20% of admeasurements works by providing an advance bank guarantee from the bank.
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4.0 Other Stakeholders

4.1 Donors	The Director of works informed the contractor that these are the main financiers of the project but the council will be managing the funds.
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4.2 General Public	The Director of works also informed contractor that this stakeholder is also important because is the one that will have direct interface with the project. The community leadership should be involved in all stages of the project implementation but they are not expected to take instructions from them regarding implementation of the project.
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5.0 General Contract Matters

5.1 Site instructions	The Director of works reminded the contractors of the importance of having all site instructions which have been verbally communicated to be followed by written document. They should also demand confirmation of any instruction issued in writing from any stakeholder.
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5.2 Site Diaries	The Director of works reminded the contractors of the importance of producing all Site diaries and sending copies sent to the client.
5.3 Communication	The Director of works reminded the contractor that any communication between the parties such as client, supervising consultant and contractors should have a copy given to the client. When there are conflicts between the contractors and supervising consultant, the contractor should always consult the client.

6.0 Environmental, Health and Safety issues

6.1 Gender issues	The Director of works informed contractors of the importance of implementing gender issues such as employment of 40 % females
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6.2 HIV/AIDS	employees connected. The contractor should ensure that signs are visible enough so that vehicles are able to see them.
6.3 Site clearance and sign boards	The contractor was reminded that they should ensure that it provides adequate awareness information to its workers about HIV/AIDS. The Director of works informed contractor that should ensure that they have done site clearance and that signs boards are clearly visible and need to remove them after completion of works. The client should provide the guidance on where to plant the sign boards. The contractors should also ensure that those persons involved in site clearance are paid out.
6.4 Social issues i.e Gender based violence	Gender based violence should be avoid at all cost or resolved amicably. The Director of works also reminded contractors of their environmental obligation of creating borrow pits and to ensure that they filled after completion.
6.5 Environmental obligations i.e Borrow pits	

7.0. Financial Issues

7.1 Advance requirements	The Director of works informed the contractor that there is an opportunity of having an advance payment allowed up to 10% of the ad measurable works.
7.2 Measurements and certification	The Director of works informed the contractor that payment will only be done upon certified by the client mainly his office.
7.3 Insurances	The Director of works informed the contractor that they have contractual obligation by ensuring all insurance requirements are complied with in the implementation of the project.

Closing Remarks	The Chairperson thanked members for their deliberations and promised the contractors that contracts will be ready soon after expiry of standstill period.
Closing Prayer	Volunteer by contractor's representative

Minutes Compiled by:

Name: E.Moyo

Designation: Procurement Officer (IPDC Secretary)

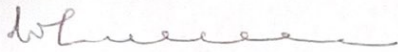
Signature: 

Date: 24th December, 2021

Minutes approved by:

Name: Mr. W. Chikuni

Designation: Director of Planning (IPDC Chair)

Signature : 

Date: 24th December, 2021