

NATIONAL HIGHWAY AUTHORITY

CONFIRMED MINUTES

Subject: **The 378th Meeting of the NHA Executive Board Held on January 14, 2022 at Islamabad.**

Introduction

The 378th meeting of the National Highway Authority's Executive Board was held at 0930 hours on January 14, 2022 at the Auditorium of NHA Headquarters, Islamabad. Capt. (Retd.) Muhammad Khurram Agha, Chairman, NHA presided over the meeting.

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

Opening Remarks

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

The Chairman allowed Secretary, NHA to start formal Board proceedings on the agenda.

Formal Board Proceedings

Agenda Items

The Secretary, NHA apprised the Board that agenda consists of eleven (11) items.

Agenda Item 1

Confirmation of Minutes: 377th Meeting of Executive Board held on January 07, 2022

Decision

The NHA Executive Board confirmed minutes of the 377th Executive Board meeting held on January 07, 2022.

Action By : Secretary, NHA

Agenda Item 2

Approval of Organization Structure of Highway Research & Training Centre (HRTC)

Decision

The NHA Executive Board constituted a committee comprising of the following to review the proposed organizational structure of HRTC, its governance structure/legal status and staff requirement:

- | | | |
|----|---------------------------|-----------|
| a. | Member (Finance), NHA | Convener |
| b. | Chief (NTRC) | Member |
| c. | Vice President (NESPAK) | Member |
| d. | Member (Planning) | Member |
| e. | Executive Director (HRTC) | Secretary |

The Board allowed extension in services of already working HRTC staff (24 Nos.) for two (02) years period w.e.f. January 01, 2022 to December 31, 2023 or till completion of recruitment of human resource for HRTC whichever is earlier on the existing terms & conditions with 35% raise in current salaries. Expenditure in this regard shall be incurred from Road Maintenance Account of NHA.

Action By : Member (Planning)

Agenda Item 3

Award of work for Addition of New Interchange at Kot Pindi Das on Motorway M-2 to Concessionaire (M/s MORE)

Decision

The NHA Executive Board approved the annulment of previous bidding process and award of work of “addition of new interchange at Kot Pindi Das on Motorway M-2 to M/s MORE through their concession agreement on M-2 at their proposed cost of Rs.584,091,857/- (Rupees five hundred eighty-four million, ninety-one thousand, eight hundred & fifty-seven only), which is 39.11% above the Engineer’s Estimate of Rs.419,858,942/- subject to revision of PC-I by the Project Authorities i.e. GM (M-2). The Board further decided to seek the clarification from PPRA before implementation of the award.

Action By : Member (Planning)

Agenda Item 4

Extension in Services of on Board Staff (IT and Financial Analysis) Working in NHA Finance Wing

Decision

The NHA Executive Board approved the following:

- a. Extension of one year in service of already on-board, well-trained staff as Analysts with Skeleton support staff w.e.f. February 01, 2022 to January 31, 2023 on existing terms and conditions with 10% increase in remuneration or till finalization of permanent recruitment as per laid down procedures, whichever comes earlier.
- b. Salaries expenditures will be disbursed as per ongoing arrangement (i.e., through RMA account of NHA).

Action By : Member (Finance)

Agenda Item 5

Revaluation of Moveable and Immovable Assets of NHA

Decision

The NHA Executive Board approved the following:

- a. Addition in assets due to revaluation assignment amounting to Rs.1,775.022 billion for immovable and Rs.4.535 billion movable assets.
- b. Incorporating the impact in the books of accounts in accordance with the guidelines of International Financial Reporting Standards (IFRS) and also complying the rules and regulations of the Authority.

Action By : Member (Finance)

Agenda Item 6

Formation of 8th Board of Trustees of Employee Funds (CP, GP and Pension Funds)

Decision

The NHA Executive Board approved the 8th Board of Trustees formation for operation and management of employee's funds (CP, GP and Pension Funds) as given below:

New Constitution			
<u>Authority's Representative</u>			
	<u>Name</u>	<u>Present Posting</u>	<u>Designation in Board of Trustees Formation</u>
1.	Mr. Muhammad Azhar	Member (Finance)	Chairman
2.	Mr. Abdul Waheed	GM (B&A)	Member
3.	Mr. Shehbaz Hussain	Director (Secretariat)	Member
<u>Member's Representative</u>			
	<u>Name</u>	<u>Present Posting</u>	<u>Designation in Board of Trustees Formation</u>
1.	Allah Dad Khan	GM (Finance)	Member
2.	Mr. Azeem Tahir	GM (PPP)	Member
3.	Mr. Ikram us Saqlain Haider	GM (Planning)	Member

The Board decided that, henceforth, nomination/ appointment of members of the Board of Trustees shall be by designation as mentioned above instead of name.

Action By : Member (Finance)

Agenda Item 7

APN Connectivity for GL Accounts and TAS Systems (Between NHA HQs and Regional/Zonal Offices) & DPLC Connection

Decision

The NHA Executive Board approved the award of contract to M/s CMPAK Limited amounting to Rs.1,473,694.92 (Rupees one million, four hundred seventy-three thousand, six hundred ninety-four & Paise ninety-two only) per annum for "3G/4G Network Operators to supply, install, commission, operate and maintain APN

(Access Point Name) connectivity between NHA HQ and Regional/ Zonal Offices" for a period of one (01) year from the date of commencement and extendable for two terms of one (01) year on same terms and conditions subject to satisfactory performance and mutual consent of both the parties.

Action By : Member (Finance)

Agenda Item 8

Report of Committee constituted by Executive Board in its 363rd Meeting held on July 16, 2021 on Agenda Item Titled "Powers to Approve Variation Orders and Amendment to Contracts."

Decision

The NHA Executive Board approved Amendment in NHA Code Chapter-III powers to approve variation orders to contracts as follows:

TABLE: III-13
POWERS FOR VARIATION ORDERS TO CONTRACTS

Nature of Power	Competent Authority	Maximum %age or limit For Capital Works	Maximum %age or limit For RMA Works/O&M	Financial Concurrence For Capital Works	Financial Concurrence For RMA Works
A Acceptance of necessity, technical sanction and issuance of variation orders in consultation with Member (Concerned)/ Consultant in original contracts	i) NHA Executive Board	Full Powers*	Full powers	Member (Finance)	Member (Engg-Coord)
	iii) Member (Concerned)	Up to 15%	Up to 15 %	GM (Finance)	GM (RAMD)
	iv) GM (Region) /(Project)	-	Up to 3 %	Director / DD (Accts) concerned	Director (RAMS)
B Approval of rates of Non-BOQ Items inserted during the currency of contract	i) **Member (Concerned)	Full Powers	Full Powers	-	-
C Re-Appropriations within Original Contract Cost	i) GM (Region) /(Project)	-	Full Powers	-	Director/DD (Accounts) Region/Project
** For Capital Works, the concerned Member They will intimate the Chairman along with justifications. * Full Powers of NHEB shall not exceed Administrative approval of 15% of PC-I. In case of Variation order having effect of more than 15% of PC-I, the approval shall be in principal subject to the approval of revised PC-I from competent forum.					

- Note: 1) The percentages given above represent aggregate of all variation orders issued under a contract.
2) General Manager (Region) / (Project) shall issue variation orders under intimation to Member (Concerned).
3) Provision of Para 70 and 71 of Chapter 2 shall be fully adhered to.

The Board also approved the recommendation of the committee to update the write-up in NHA Code pertaining to Table III-13, wherever applicable.

Action By : Member (Engg. Coord)/Member (Planning)/
Member (Zones)/GM (Regulations)

Agenda Item 9

Report of Committee constituted by Executive Board in its 364th Meeting Held on August 05, 2021 “Amendment in NHA Code, Chapter-IV, Consultancy Services Regarding Powers of Hiring/Variation Orders in Consultancy Contracts.”

Decision

The NHA Executive Board approved Amendment in NHA Code Chapter-IV consultancy services regarding powers of hiring/ variation orders in consultancy contracts as follows:

TABLE: IV-2

Nature of Power	Competent Authority	Maximum Limit (Rs. in Million)	Financial Concurrence	Remarks
A. Approval of Cost of Consultancy Services and Acceptance of Bid for Engagement of Consultant	NHA Executive Board	Full Powers	-	The Member (Planning) shall approve the Consultancy Services for Capital Works & for RMA, the Member (concerned) .
	Chairman	-	-	
	Member (Concerned)	50	-	
G.M. Concerned	10	-		
B. Extension in Time for completion of Consultancy Services with No Financial Effect	Member (Concerned)	Full Powers	-	
C. Variation in Cost of Services due to change in scope of Work. (Appointed with approval of GM/Member/NHEB).	GM (Concerned)	Six Months	-	
	NHA Executive Board	Full Powers	Member (Finance)	
D. Approval to Replace Employees of Consultants at more than Agreed Rates.	Member (Finance)	Up to 25% of original cost	Member (Finance)	
	NHA Executive Board	Full Powers		
E. Variation in cost of consultancy services due to time extension (Appointed with approval of GM/Member/NHEB).	Member (Planning) / (Engg Coord)	10% of original cost		
	NHA Executive Board	Full Powers		
	Member (Concerned)	Up to 25% of original cost	Member (Finance)	

Note: 1) Supervision consultancy scope, variation and extension of time to be linked with construction contract

- a. Any Impact on the Cost of Work due to Extension in Time of the Contract should be evaluated in advance for both contractor and supervisory consultants and the same should be incorporated in Variation Order at once instead of placing before board in bits and pieces and after its actual execution.
- b. Approval to replace employees of Consultants at more than agreed rates should be avoided and if indispensable, the same shall only be made after presenting detailed justification to the competent authority and its approval.
- c. Variation Orders/Addendum in Consultancy Services where cost impact occurs due to Extension in Time of Works or increase in scope of work should be presented

along-with the Variation Order of the said Works in order to have overall picture of Cost overrun on the specific project.

- d. All the above-mentioned changes/amendments proposed to be incorporated in NHA Code should be applicable for services to be carried out after the approval of the same from NHA Executive Board and shall not have any retrospective effect.

Action By : Member (Engg. Coord)/Member (Planning)/
Member (Zones)/GM (Regulations)

Agenda Item 10

Revision in Tender Opening/Evaluation and Acceptance Committees for Procurement of RMA Works/Services/Goods at NHA HQs

Decision

The NHA Executive Board approved the following revision in NHA Code 2005:

- a. Revision in Table III-3 composition of Tender Opening/Evaluation Committee to procure the RMA funded works/services/goods at RAMD, NHA HQs as follows:

Opening/Evaluation Committee (RMA + Capital Works)

<u>Composition</u>	<u>All RMA Works up to Rs. 100 Million</u>	<u>All RMA Works above Rs. 100 Million</u>	<u>NHA HQ All RMA Works</u>	<u>NHA HQ All Capital Works</u>
Chairman	Dir (Maint.) Region	GM (Region)	GM (RAMD)	GM (P&CA)
Member-I	Dir (Coord) Zone	Dir (Maint.) Region	Dir (P&CA)	Dir (Planning)
Member-II	Dir / DD (M&I)	Dir / DD (M&I) Region	Dir (Accts-Rev)	Dir (Accts/B&A)
Member-III	DD (Accts) Region	Dir / DD (Accts) Zone	Dir (Engg – Coord/Const.)	Dir (Engg – Coord/Const.)
Secretary	DD (Maint.) Concerned	Dir (Coord) Zone	Dir (RAMS)	Dir (P&CA)

- b. To empower the Tender Acceptance Committee notified as per Table III-4, “for all RMA works above Rs.300 million”, to accept the Tenders of all RMA funded works/services/goods procured at RAMD, NHA HQs.

Action By : Member (Engg. Coord)/Member (Planning)/
Member (Zones)/GM (Regulations)

Agenda Item 11

Approval for Award of Stationery Items for Purchasing of Summary Papers & Allied Papers and Printing, Binding Materials, etc

Decision

The NHA Executive Board accorded the financial approval to carry out the said procurement on actual need / requirement basis for the left over tenure (i.e. more than 05 x months), which comes to Rs.8,500,000/- (Rupees eight million, five hundred thousand only) out of total calculated amount @ Rs.16,753,169/- including all taxes.

Action By : Member (Admn)

Conclusion

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