Local Government

13.1 Operation and Maintenance of Mare Chicose Landfill

Background

In 1993, studies were carried out to prepare a National Solid Waste Management Plan (NSWMP) for the Government. Landfill was identified as a means of final waste disposal. Following geotechnical investigations, two sites were identified, namely Mare D’Australia and Mare Chicose.

The Mare D’Australia site, which was to service the northern part of the island, was to cater for 600 tons of waste per day and have a projected life span of 30 years. The Mare Chicose site was to cater for the southern part of the island for a period of 19 years at the rate of 300 tons of waste per day. However, the Mare D’Australia project did not materialise and had to be shelved due to public pressure and to land acquisition problems. Only the Mare Chicose Landfill (MCL) project was implemented and became operational in 1997.

Volume of wastes disposed at MCL increased significantly over the years and reached 1,200 tons per day in 2006, that is four times more than what was originally forecasted. The life span of the MCL of 19 years, as predicted in the original plan, has been reduced to nine years. Hence, the MCL was expected to reach saturation in 2006 instead of 2016. With the construction of some new cells, the Landfill might last up to 2010.

13.1.1 Contracts for the Operation and Maintenance of the Mare Chicose Landfill

Contract I

In September 1997, Contract I was awarded by the Ministry of Local Government (MOLG) to a Contractor for the sum of Rs 187 million for a period of six years up to September 2003. The Contract was for the Operation and Maintenance of the MCL including plant and equipment and infrastructures. It included the management and control of all aspects relating to landfilling waste in Cells 1, 2 and 3; landfill gas extraction and flaring; leachate management and treatment; and environmental monitoring and record keeping.

On expiry of Contract I, the Ministry with the approval of the Central Tender Board (CTB) decided to extend it on a month-to-month basis and on the same terms until award of a new contract, Contract II.
Contract II

The works to be undertaken under Contract II at the MCL originally included:

- Construction of Cells 4, 5 and 6
- Installation, Commissioning and Operation of the Gas and Leachate Treatment Plants
- Post Closure as well as Rehabilitation of the Landfill
- The technical and financial viability for power generation, an alternative to gas flaring

In February 2003, Consultant A was appointed for the supervision of the Operation and Maintenance of the MCL at the monthly fees of Rs 460,000 for a period of 54 months (renewable yearly), that is, for a total fees of Rs 24.8 million. The terms of reference of Consultant A included the preparation and evaluation of tenders for Contract II.

Although tenders were launched for the first time in July 2003, the award of Contract II was seriously delayed and was finalised only in September 2006, that is, three years later. An additional amount of some Rs 6.5 million had to be paid to two Consultants before Contract II was finally awarded.

Part of construction works to be undertaken originally under Contract II had to be awarded on a piece meal basis due to the delay and also because the existing cells were reaching saturation. In October 2003, a contract for the construction of Cell 4 was awarded as a variation order under Contract I, whereas another contract for the construction of Cell 5 was awarded after launching fresh tenders.

The following need to be highlighted:

- First tenders for Contract II, prepared by Consultant A were launched in July 2003 and evaluated twice, once with the option of power generation and once without it. In January 2004, the CTB found that ‘the offer chosen was non-responsive, in view of certain major deviations contained in the bids, which could not be corrected through a letter of intent/negotiations’. The CTB therefore requested the MOLG to consider reviewing its recommendations. However, in February 2004, Government decided that the tender exercise be annulled, and that fresh tenders be launched on a “well prepared” tender document.

- In March 2004, another contract of Rs 6 million was awarded to Consultant B to prepare the second tender documents for Contract II and to carry out its evaluation. Consultant B had an ongoing contract for another Solid Waste disposal project with the MOLG. No competitive tender was launched due to time constraint.

- In September 2004, separate tenders had to be launched for the construction of Cell 5 as Cell 4 was reaching saturation. Works under Contract II finally comprised, amongst others: construction of Cell 6 and Landfilling operation in Cells 5 and 6; Installation, Commissioning and Operation of Gas and Leachate Treatment Plants; and Design and Installation of new gas flare.
New tenders prepared by Consultant B were launched in January 2005 and the contract was expected to be awarded in September 2005. The final Technical Evaluation Report (TER) was submitted to the Ministry on 15 August 2005. However, in October 2005, Government decided to request Consultant A to carry a review of the TER of Consultant B as well as the financial evaluation at a cost of Rs 750,000. Although the CTB had no objection to MOLG’s request, the attention of the Ministry was drawn to the fact that “it was not clear where would the review of an existing report lead while it was very clear we would stand in the presence of a completely independent evaluation report (a second opinion on the bids)”. As for the contract of Consultant B, it was terminated after deducting the sum allowed for the financial evaluation.

Consultant A submitted his final evaluation and recommendations only in August 2006. Contract II was finally awarded in September 2006 on the basis of his recommendations and the site will be handed over to the new Contractor in December 2006. It is to be noted that Cell 5 was expected to last up to September 2007 and for Cell 6 to be ready by that time, construction works should have started as from July-August 2006.

Extension of Contract I due to the Delay in Awarding Contract II

Financial Implications

Due to the delay in awarding Contract II, Contract I was extended on a month-to-month basis, for more than three years, without resorting to competitive tendering procedures. A total sum of Rs 844 million was paid to the Contractor for the last nine years up to 30 June 2006. Included in this amount was Rs 486 million paid in connection with the extension of the contract and variation works. This represented expenditure of some 160 per cent over the original contract sum as shown in Table 52.

Table 52 Payments under Contract I

<table>
<thead>
<tr>
<th>Details</th>
<th>Period</th>
<th>Payments Rs (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operation and Maintenance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original Contract I</td>
<td>Sept 97-Sept 03</td>
<td>358</td>
</tr>
<tr>
<td>Extension of Contract I</td>
<td>Oct 03-June 06</td>
<td>311</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td></td>
<td><strong>669</strong></td>
</tr>
<tr>
<td><strong>Variations to Contract I</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction of Cell 4</td>
<td>Oct 03-Mar 04</td>
<td>79</td>
</tr>
<tr>
<td>Carting away of Leachate</td>
<td>Jan 02-June 06</td>
<td>96</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>844</strong></td>
</tr>
</tbody>
</table>
Operation and Maintenance - Extension of Contract I

An amount of Rs 311 million was paid for the extension of Contract I for period September 2003 to June 2006. In Consultant A’s financial evaluation report, the average cost for landfill operation of the MCL under Contract II was compared to that under Contract I and the offer received under Contract II was found to be very competitively priced. The average price per ton of waste was Rs 143 for a waste mass of 2.2 million tons whereas under Contract I, it was Rs 247 (May 2005 was taken as the base date), therefore higher by some Rs 100 per ton.

On the basis of the above comparison, the price difference amounted to Rs 115 million for some 1.15 million tons of wastes disposed at MCL during the extension period of Contract I. Hence, substantial savings could have been made under this component, had competitive tenders been launched earlier.

Variation to Contract I - Construction of Cell 4

In view of time constraint and also due to saturation of Cell 3, a contract for the construction of Cell 4 was awarded in October 2003 as a variation order amounting to Rs 79 million.

In September 2004, MOLG awarded another contract for the construction of Cell 5 after launching fresh tenders. Total cost of construction of Cell 5 was Rs 99 million. Comparison of construction costs of Cell 4 and Cell 5 revealed that cost per cubic metre for Cell 5 was cheaper by some Rs 97. On that basis, construction of Cell 4 would have cost some Rs 2.5 million less than what was actually paid. It was noted that the contracts for the construction of the two cells were awarded within the interval of one year only.

Variation to Contract I - Carting away of Leachate

The Leachate Treatment Plant (LTP) found at MCL was closed down in August 2002 due to technical problems and leachate had to be carted away to the St Martin and the Roche Bois pumping stations. This work was entrusted as a variation order under Contract I and total expenditure amounting to some Rs 96 million was incurred for period January 2002 to June 2006 to cart away leachate.

Problems Encountered With the Extension of Contract I

Consultant A highlighted the problems associated with extending Contract I and the delay in awarding a new contract. These involved issues relating to ineffective extraction of leachate, inefficient gas extraction wells resulting in odour, and overall deterioration of infrastructure and environment problem like groundwater quality. He also stated that these major issues could only be resolved under a new contract. The problems encountered included the following:

Leachate Treatment Plant and Gas Treatment Plant

- A technical audit carried out in 2003 by Consultant A concluded that the LTP was too small in capacity even if the design process could treat leachate effectively and recommended to replace it with one having a design capacity of 450 m$^3$ per day. In March 2005, a cost benefit analysis was carried out by another Consultant who concluded that it would be beneficial to treat leachate on site. However, as of October, untreated leachate
still had to be carted away as provision for the construction of a new LTP was made in Contract II that was only awarded in September 2006.

- A gas treatment plant was installed on the MCL since its construction in 1997. The gases were to be collected in gas wells and conducted by pipes to be flared. Consultant A observed that there was a build up of landfill gas and odours resulting from inefficient gas extraction wells, collection pipe network and final capping. There was an overall deterioration and an ongoing development of hot spots (holes) in the main flare stack, thus damaging it further. The Consultant added that hot spots signs were clear indication of potential structural weaknesses with the flare stack probably reaching the end of its life cycle. Contract II would provide for the drilling of new wells that would resolve these problems.

The inhabitants of Mare Chicose had, on various occasions, expressed the nuisances they had to face due to the operation of the Landfill. Their main complaints were odours and health problems.

**Weighbridges**

There are two weighbridges at the MCL: one was to weigh the incoming vehicles and the other, the outgoing ones. The incoming weighbridge was out of order since December 2004. The outgoing weighbridge has since then been used for both incoming and outgoing traffic. The Consultant has repeatedly stressed on how crucial it was to repair that equipment. As of 30 June 2006, the incoming weighbridge was still not repaired.

**Road Infrastructure**

The access tracks to the cells were constructed on solid waste for the major part. Problems occurred, in particular, following ingress of water after heavy rainfall. The Contractor operating the site was maintaining the road by filling potholes with crushed rock and subsequently rolling and compacting.

With trailers of 16 metres long coming on site, the road design was inadequate and was causing much stress on traffic movement. This was pointed out by the Consultant as far back as year 2004.

**Conclusion**

There is a need for proper planning in terms of tender preparation, the launching and award of contracts given the magnitude of public funds involved. This would avoid huge payments being made outside competitive bids and would also ensure that Government obtained value for money. It is to be noted that an amount of Rs 486 million was disbursed outside competitive bids.

Consultant A was appointed for supervision of the Operation and Maintenance of the MCL for total fees of Rs 24.8 million. The terms of reference of Consultant A included the preparation and evaluation of tenders for Contract II. A further amount of Rs 114,300 was paid to Consultant A as extra costs. Although tenders were launched for the first time in July 2003, the award of Contract II was seriously delayed and was finalised only in September.
2006, that is, three years later. An additional amount of some Rs 6.5 million had to be paid to both Consultants (A and B) before Contract II was finally awarded. The reasons as to why two Consultants were involved in the same job could not be ascertained.

In Consultant A’s financial evaluation report, the average cost for landfill operation of the MCL under Contract II was compared to that under Contract I and the offer received under Contract II was found to be very competitively priced. It was found that there was a price difference of Rs 115 million for some 1.15 million tons of wastes disposed at MCL during the extension period of Contract I. Hence, substantial savings could have been made under this component, had competitive tenders been launched earlier.

Total cost of the construction of Cell 4 was Rs 79 million. Comparison of construction costs of Cell 4 and Cell 5 revealed that cost per cubic metre for Cell 5 was cheaper by some Rs 97. On that basis, the construction of Cell 4 would have cost some Rs 2.5 million less than what was actually paid.

Plant and Equipment have a limited lifetime and infrastructures deteriorate with time. Contracts should be awarded in a timely manner in order to ensure that the MCL is being run in an efficient and effective manner.

**Ministry’s Reply**

Contract I was due to expire in September 2003 and was initially extended with the approval of the CTB. Tenders were launched in July 2003 and the award was expected to be made in December 2003. However, Government decided that the tender exercise be annulled and fresh tenders be launched. Thus, the award of Contract II was delayed.

In view of time constraint and following approval of CTB, Consultant B was appointed to prepare tender documents for the two tender exercises as additional services to its existing contract. Further, Government had decided that the evaluation Report of Consultant B be reviewed by Consultant A.

As regards other technical problems encountered on the site, these were included in the scope of works of Contract II to avoid issuing other variation orders.

Arrangements are being made for contracts to be awarded in a timely manner. The delay in the award of Contract II was due to circumstances beyond the control of the Ministry.

**13.2 Solid Waste Management Contracts- Cleaning and Maintenance of Public beaches**

**Background**

In April 2002, the Beach Authority was established with the objective to ensure the proper control and management of public beaches in Mauritius and Rodrigues. One of the functions
of the Authority is to implement projects relating to the day-to-day cleaning of public beaches. Cleansing contracts dealing with cleaning of beaches, maintenance of toilets and amenities, carting away of post-cyclonic wastes, have so far been executed by scavenging Contractors on a three-year period.

The Beach Authority Act provides that the Authority may delegate the management of any beach to such person or body and on such terms and conditions as may be prescribed. The Ministry of Local Government (MOLG) has awarded and managed the contracts for the cleaning and maintenance of public beaches and has disbursed a sum of some Rs 375 million during period January 2001 to June 2006.

**Contracts for the Years 2001 to 2004**

In December 2000, cleansing contracts for the three years from January 2001 to January 2004 were awarded by the MOLG to three Contractors A, B and C for a total contract value of Rs 208.5 million.

**Extension of Contracts**

In November 2003, the MOLG decided that the Authority should take over the responsibility for the launching and award of tenders relating to cleaning and maintenance of beaches. In January 2004, the MOLG with the approval of the Central Tender Board (CTB), extended the existing contracts of the three Contractors on a month-to-month basis and on the same terms and conditions: this, with effect from 15 January 2004 until the finalisation of the registration of scavenging Contractors and the award of new contracts. The three Contractors were paid a total amount of Rs 271 million up to 14 November 2004. As a result of the delay in the award of new contracts, an amount of Rs 62.5 million representing more than 30 per cent of the original contract amount was paid to the same Contractors over a period of ten months, without resorting to competitive bidding.

**Cancellation of Tender Exercise Initiated by the Beach Authority**

On 1 July 2004, the Authority launched tenders prepared on the MOLG’s model. In the same month, Government however decided that the tender exercise should be cancelled, and fresh tenders be launched by the CTB on behalf of the MOLG. This was to ensure transparency as the Authority was not fully staffed to manage such contracts and since the procurement of its services does not fall under the purview of the CTB.

**New Contracts for the Years 2004 to 2007**

**Evaluation of Bids and Award of Contracts**

In August 2004, tenders for the three years 2004 to 2007 for eight lots were launched by the CTB on behalf of the MOLG. An inter-ministerial Technical Evaluation Committee comprising of representatives of the Ministry of Finance (MOF), the Ministry of Public Infrastructure, the Beach Authority and the MOLG under the Chairmanship of the Permanent Secretary of the MOLG was set up to evaluate the bids and make recommendations.
A two-stage procedure was adopted for evaluation of the seven bids with technical evaluation being completed prior to evaluation of financial proposals. Technical proposals were evaluated on a pass/fail basis on a set of five criteria namely, experience in waste collection, lorries, personnel, equipment and methodology.

Six bidders meeting the minimum criteria were found to be technically responsive for the various lots. On 25 October 2004, the Committee recommended the award of the contracts to the lowest bidder for each lot. These were approved by the CTB on 29 October 2004.

However, the following were noted:

- **Financial Savings and Price Differences between Bids.**

  As per Clause 8.6 of “Instructions to Tenderer”, the MOLG reserved the right not to award more than 35 per cent of its total contracts to any single Contractor. This decision was taken in 2000 to avoid the development of a monopolistic situation. In the light of the financial proposals submitted, the Committee however opined that should this Clause be applied, the MOLG would have to disburse an additional sum of over Rs 50 million. The Committee agreed to make recommendations on the basis of lowest bids for each lot, irrespective of the provision of that Clause.

Contractor D was therefore awarded six lots for the contract sum of Rs 143.3 million, that is 71 per cent of the total contract value. The two other lots were allocated to Contractors B and C for the sums of Rs 26 million and Rs 32 million respectively as shown in Table 53.

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>NO OF LOTS</th>
<th>LOT NOS</th>
<th>CONTRACT VALUE (RS)</th>
<th>% OF TOTAL CONTRACT VALUE</th>
<th>PAYMENTS FROM NOV 2004 TO JUNE 2006 (RS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>D</td>
<td>6</td>
<td>1,3,4,6,7,8</td>
<td>143,324,780</td>
<td>71.1</td>
<td>73,910,508</td>
</tr>
<tr>
<td>B</td>
<td>1</td>
<td>5</td>
<td>26,003,717</td>
<td>12.9</td>
<td>13,157,647</td>
</tr>
<tr>
<td>C</td>
<td>1</td>
<td>2</td>
<td>32,098,000</td>
<td>16.0</td>
<td>16,700,067</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td></td>
<td><strong>201,426,497</strong></td>
<td><strong>100</strong></td>
<td><strong>103,768,222</strong></td>
</tr>
</tbody>
</table>

The price differences between the amounts quoted by the lowest bidder and the second lowest one varied between Rs 301,700 and Rs 28,586,586 for the various lots. The differences in terms of percentage ranged from 1 to 154. In the absence of an estimate at pre-tender stage of the cost of services by lot, the reasonableness of the lowest bid for each lot could not be determined.
Experience in Waste Collection.

For contract works of such a magnitude, that is over Rs 200 million, experience and past performance are key factors other than price, to be taken into consideration in the evaluation of bids. Although each Bidder was required to submit details of experience and know-how as well as past and current contracts performed in the field of Solid Waste in Mauritius, Contractor D was awarded works for a total value of Rs 143 million although he failed to produce sufficient evidence for satisfactory performance in the execution of contracts of that extent in the field of Solid Waste.

- At time of tendering, Contractor D which was registered as a scavenging Contractor in 2004 had stated having executed contracts for a total value of Rs 10.5 million for the previous four years. These included works of contract value of Rs 5.6 million for Local Authorities and Government Departments. However, evidence for satisfactory performance was produced for only Rs 386,400.

- Contracts performed in the private sector were valued at Rs 49 million. A list of private firms was submitted but no breakdown of value of works was given. Hence, the performance of the Contractor could not be properly assessed.

Lorries

Bidders had to obtain a compulsory pass in the second criterion namely lorries, to be qualified technically. The total capacity of the lorries to be deployed was specified for each lot in the tender. The following were observed:

- The Committee assessed Contractor D as being technically responsive for all the eight lots. However, the Committee stated that Contractor D had deployed same lorries on different projects/lots in disparate geographical regions. In view of operational constraints, the Committee opined, that should the financial proposal of Contractor D be the lowest for Lots 3 and 8, then either Lot 3 or Lot 8 would be awarded to him. At the financial evaluation stage, since Contractor D was unsuccessful in Lots 2 and 5, the Committee recommended that Contractor D be awarded Lot 3, subject to redeployment of a lorry of the required capacity from Lot 5.

- Lorries with a total capacity of 36 m$^3$ were required for Lot 8. As per bid analysis, Contractor D had proposed a total of six lorries with a total capacity of 38 m$^3$. At time of tendering, the sixth lorry with a capacity of 5 m$^3$ was not yet registered as a waste carrier vehicle. Also, four of six lorries to be deployed on Lot 8 were to be hired. Copies of the lease agreement in respect of two lorries were not submitted. The proposal of Contractor D for Lot 8 was not in line with the tender requirements. Hence, as a pass in this criterion was mandatory, the bid should have been assessed as being non-responsive for Lot 8.

Rescission of Contracts

In September 2005, the contracts with Contractors B, C and D were renewed for another year. Three months after renewal of the contracts, Government decided on the ground of poor performance to rescind the contract of Contractor D in respect of the six lots, after giving
appropriate notice. The rescission of the contract took some ten months. On 8 October 2006, the Contractor was informed that the MOLG had decided not to renew his contract for all the six lots at the expiry of the contract period, that is, 15 November 2006.

Penalties totalling Rs 229,000 were deducted from December 2005 to June 2006. According to reports of the Enforcement Unit, Contractor D failed “to attend to most of the shortcomings owing to a lack of vehicles deployed and insufficient human resources”.

Launching of Fresh Tenders

In February 2006, the MOLG decided to allocate the contracts for the above six Lots to the second lowest or other bidders depending on their previous performance. The Attorney General’s Office stated that this course of action was legally in order while the MOF was of the view that tenders should again be launched. In April 2006, the CTB finally recommended that the contract for Lot 3 might be awarded to the next lowest bidder but fresh tenders should be sought for the five remaining lots.

In April 2006, the Ministry decided to launch fresh tenders for all the six lots. The finalisation of the tender exercise actually took some five months instead of three months. New tenders were launched on 27 September 2006 with closing date, 18 October 2006.

Fresh tenders had to be launched and this took some time. In the meantime, Government was spending public funds without obtaining value for money, and beach users were deprived of a satisfactory service.

Contract Monitoring

Effective contract monitoring provides assurance that works are performed according to terms of the contract. This is particularly important in these contracts as:

- Payments are based on completion of works in accordance with the terms of the contracts.

- Penalties are applicable when Contractors fail to attend to shortcomings on works executed within one week of issue of a notice. The MOLG shall deduct Rs 1,000 per calendar day until the works are completed or such amounts as may be determined to represent the value of works to be attended.

- The MOLG has the right to determine the contract if the Contractor fails to proceed diligently with the works or is not performing the works as per conditions and specifications.

- The MOLG has to process the Contractor’s claim in time as it is legally bound to pay the Contractor within 30 days.

- Renewal of contracts is subject to the satisfactory performance of the Contractor.
Monitoring of Works.

The supervision of Contractors’ works fell under the responsibility of the Enforcement Unit of the MOLG. Due to the shortage of staff, site inspection visits were not made regularly and systematically. Also, no site visits were done on Saturdays, Sundays and public holidays, although there is need for more supervision on these days when public beaches are the most attended.

The Contractors did not submit monthly progress reports along with the invoices. Hence, work actually carried out and reason of any deviation from the approved program were not known.

Certification of Claims and Penalty Clause.

Payments to Contractors were made on the basis of reports of the Enforcement Officers and upon the recommendations of the Technical Managers of the Solid Waste Management Division. An examination of a sample of claims over a period of four months pertaining to the three Contractors B, C and D revealed that:

- The number of visits effected by Enforcement Officers per month on each lot varied from 1 to 6. No visits were made on Saturdays, Sundays and Public Holidays.
- The time taken between site inspection and issue of notices to Contractors ranged from 3 to 29 days.
- Shortcomings noted during inspection were sometimes categorised as being major or minor ones. In the contract, shortcomings were not defined as major or minor.
- Reports by Contractors regarding action taken on shortcomings notified by the MOLG was often communicated with delay or not at all. Follow up at the MOLG’s level was lacking.
- The penalty clause was not consistently applied. In 13 cases, deductions totalling Rs 421,000 were made from payments while in one case, Rs 80,000 were retained but were subsequently released two months later. In two cases, the Technical Division recommended retentions amounting to Rs 78,180 that were not applied on the ground that the retentions were not as per contract.

Conclusion

A total amount of Rs 62.5 million representing 30 per cent of the original contract amount was paid following extension of contracts without resorting to competitive bidding. There is a need to properly plan the tendering process to avoid execution of contracts outside competitive bids.

For contract works of such a magnitude, that is over Rs 200 million, experience and past performance are key factors other than price, to be taken into consideration in the evaluation of bids. One Contractor was awarded six lots for a contract sum of Rs 143 million that is 71 per cent of the total contract value although he failed to produce sufficient evidence for
satisfactory performance in the execution of contracts of that extent in the field of Solid Waste. Poor performance of that Contractor led to rescission of his contract due to his inability to deploy the required resources. Fresh tenders had therefore to be launched and this took some ten months. In the meantime, the public was deprived of a satisfactory service.

The MOLG should work out an estimate of the cost of scavenging services at the pre-tender stage, which can be used as a yardstick to measure the reasonableness of the prices quoted by different bidders. A Register of Scavenging Contractors showing brief details of their capabilities as well as a record of their work should also be introduced for assessment of the performance of Contractors.

Failure to properly monitor contract works resulted in difficulties to apply the penalty clause and hence to ensure correctness of payments. Contract monitoring should be enhanced by providing written guidance to Officers to help them discharge their duties in an efficient and effective manner. Site visits including surprise checks on Saturdays, Sundays and Public Holidays must be properly planned. Shortcomings should be clearly defined so that the penalty clause can be applied consistently in case of non-compliance. The MOLG should ensure that Contractors submit timely and complete progress reports showing the extent of work carried out as well as action taken to remedy shortcomings on works executed.

Although more than four years had elapsed since its establishment, the Beach Authority had still not taken over the responsibility for the award and management of contracts for the cleaning of beaches. The administrative and legal problems should be addressed to enable the Authority to fulfill its statutory responsibilities.

Ministry’s Reply

The finalisation of the proper regulations on registration of scavenging Contractors took time in view of lengthy consultations that had to be carried out with stakeholders. New regulations were made in 2003. Following protest to the effect that the categorisation exercise favoured only three big Contractors and due to zoning problems, Government opted for only registration without categorisation of the Contractors. New Regulations had to be made. Thus tenders could not be launched prior to the finalisation of the registration exercise.

Concerning the new contracts for the years 2004 to 2007, in view of huge differences in prices between the second lowest Bidder and Contractor D, the experience factor was outweighed by the price factor.

Though there is no contractual definition, the terms major and minor shortcomings are clearly understood by the Enforcement Officers of the Ministry.

Action will be taken further to the recommendations of the audit with regard to preparation of cost estimates, surprise checks during weekends and public holidays and register of scavenging Contractors.
Fire Services

13.3 Aerial Ladder Platform (ALP)

Background

The ALP, purchased by the Fire Services (FS) at the cost of Rs 29 million, was received in June 2001. The hydraulic platform, which is unique in Mauritius, was acquired in order to upgrade the services offered by the FS and was to be used mainly for fire fighting in high-rise buildings.

Within the first nine months of its receipt, the appliance had to be sent to the local supplier garage for more than six times due to defects noted regarding the functioning of the ladder. The problems remained unresolved, even though a foreign specialist engineer inspected and attended to the ALP on four occasions in Mauritius. After the breakdown in March 2002, the appliance remained at the local supplier’s garage till 30 October 2003.

Repairs in Italy

On 31 October 2003, the ALP was shipped back to the manufacturer in Italy for major repairs. Duration of repairs, including shipment to and back from the manufacturer, was to be five months, according to the local supplier, that is, the appliance was to be back in Mauritius by April 2004.

In May 2004, two officers of the FS as well as one officer of the Ministry of Public Infrastructure proceeded to Italy for the testing of the repaired ALP. However, the ALP was commissioned and handed over to the FS, in Mauritius, on 12 January 2005, some nine months later than originally scheduled.

In the three and a half years’ period between date of purchase and the return of the ALP to Mauritius, the appliance remained in the custody of the suppliers for nearly three years.

Visits to the Local Supplier Garage

Since its return from overseas, the appliance was sent to the local supplier garage on eight occasions and remained there for some six months. The FS was deprived of this valuable equipment and was therefore not in a state of preparedness in case of fire in a high-rise building during that period.

- On three occasions, the ALP was sent to the local supplier garage for servicing purposes and payments totalling some Rs 231,987 were made. As regards the other five visits to the garage, reasons were neither stated in the logbooks nor in the maintenance register.
The first servicing effected was described in the supplier’s invoice as “First 50 Hr oil service and 100 Hr check of ALP”. It was carried out only after 56 hours of operation after the return of the ALP in Mauritius.

On 19 July 2005, the ALP was sent to the local supplier garage for servicing of the Electrical and Electronic System. On 19 September 2005, two months later, the supplier informed the FS that the ALP, which came for “a servicing, general check and cleaning”, was ready for delivery. The supplier pointed out that during tests it was found that the automatic stabiliser was not working properly but this was reviewed and the parameters on this Control Unit were modified. However, it was noted that the ALP was not returned to FS until the 12 October 2005.

Two days later, on 14 October 2005, the appliance was again sent to the garage and it returned on the same day. Reason for this visit was not stated in the logbook but it was understood that following a request from the FS, the ALP was to be tested on that day with the maximum load at its full reach. However, due to high winds the test was done at the maximum height of 30 metres only. Although the supplier stated that all the security systems were working well, the next day the ALP was again sent to the garage and stayed there for another 37 days.

In total, the ALP, which was sent to the supplier garage for a routine servicing, stayed there for some 132 days. Reasons for such a long stay at the garage as well as the exact nature of problems encountered were not properly documented.

Operation and Maintenance Manual

The manufacturer’s Operation and Maintenance Manual, received on purchase of the ALP, illustrates the main technical features of the device and provides instructions for its operation as well as instructions for ordinary maintenance and repairs. The manufacturer stated that “the manual is designed for the owners of the ALP and anyone interested in its road use, operation, surveillance and maintenance, right up to final disposal of the machine and that the handbook is an integral part of the device and must always be kept for consultation or reference on-board the ALP.”

Contrary to manufacturer’s recommendation, no copy of the manual was kept on-board the ALP. Nor was a copy of the manual available either at the Workshop or at the Operations sections. These sections are closely involved in the maintenance of all fire appliances and equipment of the FS in order to ensure that they are in a state of preparedness for efficient and effective response in case of fire. After enquiries, a copy was finally obtained from the ALP instructor at the Training Unit.

Daily Maintenance

Maintenance Procedures

Standard daily maintenance procedures were not laid down by the FS, in order to ensure that all the daily checks, as required in maintenance manual, was carried out by the users of the ALP so that the appliance remained in a state of preparedness.
**Greasing and Oil Checking**

Greasing of the ALP at specific points was not done on a daily basis, as required in the manual, but only when the appliance was sent to local supplier garage for servicing. The manufacturer’s advice was not sought as to whether non-compliance with his instructions would not have any adverse effect on the future performance of the appliance. Daily checks also included topping up of oil in the hydraulic circuit to bring it to the required minimum level. I was informed that this was done solely at the local supplier garage and that the key to the oil tank was in the custody of the latter.

**Ministry’s Reply**

The ALP remained in a state of preparedness even when it was referred to the supplier’s garage for tests and repairs. The ALP could therefore be used at any time in case of emergency. The key of the oil tank was kept at the supplier’s garage for safety reason, that is, to avoid any accidental oil contamination.