

## CONSTRUCTION WORK AT MATUMAINI DISTRICT COUNCIL

At the beginning of the financial year 2015/2016 MATUMAINI District Council received sh1 billion from the central government for development projects within the district. The amount was allocated based on the priorities of the proposed procurement plan of the district. Four development projects were identified as indicated in the table below:

<b>THE NATURE OF THE PROJECT</b>	<b>AMOUNT ALLOCATED (TSHS)</b>
Construction of a Secondary School at Lang'ata Ward	200,000,000/=
Renovation of the Local Government staffs offices	100,000,000/=
Construction of an office at Matokeo Ward	50,000,000/=
Construction of 3 km Tarmac road from Mkwakwani to Mkwanjuni	650,000,000/=
<b>Total Amount allocated</b>	<b>1,000,000,000/=</b>

Due to the expected official tour of the Minister for Health Affairs to the designated district hospital that was scheduled on 1<sup>st</sup> March 2016, the district accounting officer on 2<sup>nd</sup> January 2016 directed the district PMU to initiate a construction of a female ward at the hospital on the ground that the Minister would be paying a visit to the hospital in that respect it would be very impressive to find the ward completed and operating. The allocated funds for construction of the secondary school were therefore reallocated to the construction of the ward. In that regard therefore, the construction project had to start immediately in order to meet the dateline the minister's tour.

Accounting officer urgently appointed a feasibility study team that was assigned to complete the task within one week. The feasibility study report indicated that there were many contractors in Tanzania who could perform the work successfully within the stipulated time limit. The process of searching for the contractors started. The Council's Accounting Officer approved a single sourcing method to be adopted. The PMU acted upon the accounting officer's directives immediately, unfortunately in the process of implementing the method, the chairman of the tender board stopped the whole process on the grounds that he was not fully informed on the method that was to be used. This resulted into a disagreement between Tender Board and the Procurement Management Unit (PMU). The dispute was formally settled as per Public Procurement Act. The tender Board therefore approved the use of the International Competitive Tendering method

instead of the single sourcing method as it was previously approved by accounting officer in an agreement with the Procurement Management Unit (PMU) giving the reason that International competitive tendering would result into getting the most competitive contractor.

At the tender opening ceremony there were different participants who constituted the tender opening committee including secretary of the tender board, three members of PMU, chairman of the tender board, Accounting officer and planning officer of the Local Government. Once the opening ceremony was over, the tender evaluation committee was immediately appointed by the Tender Board to start the evaluation exercise basing on the predetermined criteria

Likely enough there were five members in the tender evaluation committee who were involved in the evaluation of a similar nature of a tender (Construction of Health Centre in the District) that was carried out in the previous year hence each member used the same document (Code of Ethics and Conduct) instead of signing the new documents on the grounds that they were the one who participated in the evaluation of that tender. After a preliminary examination and detailed evaluation of the bidders the tender was awarded to “WADAU Construction Ltd who indicated lesser time to be taken (One Month) compared to other contractors and a report was submitted to the PMU for further considerations.

The report was strongly supported by the Accounting Officer however the PMU had different views rejecting the report on the grounds that it was not up to standard. This led into a total disagreement between the two parties however the appropriate body of the Council intervened and settled the matter. After the re-evaluation of bids MABONDENI construction Ltd was ranked the lowest bidder hence called to the negotiation table. The negotiation was successful and the contract was signed on the agreement that the construction would take 3 months to be completed starting from 15<sup>th</sup> February 2016. All the resources were available for the work. Unfortunately the contractor was unable to complete the work before 1<sup>st</sup> March 2016 as it was planned by the accounting officer. The Accounting officer reacted negatively upon the situation by;

- Blaming the PMU for rejecting the report which had recommended WADAU Ltd whose completion time was lesser as compared to other bidders
- Terminated the contract on the grounds that the contractor had breached the contract

- Directed the PMU to initiate the procurement process afresh in order to get another contractor
- Appointed the new members of Tender Board