

CONSTRUCTION PROJECT MANAGER – TERMS OF REFERENCE

**CENTRAL BANK OF LESOTHO PROPOSED EXTENSION BUILDING AND
DISASTER RECOVERY SITE CONSTRUCTION PROJECTS**

1. GENERAL PROVISIONS.

1.2 DEFINITIONS

Where the words and phrases are highlighted in the text of this document they shall bear the meaning assigned to them here under, and where such words and phrases are not highlighted they shall bear the meaning consistent with the contract.

"Bank" refers to the Central Bank of Lesotho and its Management.

"Built Environment" refers to the functional area in which registered persons practice. The Built Environment includes all structures that are planned and/or erected above or underground, as well as the land utilized for the purpose and supporting infrastructure.

"Construction Management" is the management of the *physical construction process* within the built environment and includes the co-ordination, administration, and management of resources. The Construction Manager is the one point of responsibility in this regard.

"Construction Project Management" is the management of projects within the built environment *from conception to completion, including management of related professional services*. The Construction Project Manager is the one point of responsibility in this regard.

"Project" means the total development envisaged by the client, including the professional services.

"Works" means all work executed or intended to be executed in accordance with the construction contracts.

"Principal Agent" means the person or entity appointed by the client and who has full authority and obligation to act in terms of the construction contracts.

"Principal Consultant" means the person or entity appointed by the client to manage and administer the services of all other consultants.

"Cost Consultant" means the person or entity appointed by the client to establish and agree all budgets, and implement and manage the necessary cost control on the project.

"Contractor" means any person or legal entity entering into contract with the client for the execution of the **works** or part thereof.

"Nominated Subcontractors" are specialist and other subcontractor executing work or supplying and fixing any goods who may be nominated by the Principal Consultant.

"Selected Subcontractors" are specialist and other subcontractor executing work or supplying and fixing any goods and who are selected by the contractor in consultation with the Principal Consultant.

"Domestic Subcontractors" are specialist and other subcontractor executing work or supplying and fixing any goods and who are selected by the contractor.

"Direct Contractors" are contractors appointed by the client to execute work other than the works.

"Suppliers" mean a person or entity appointed by the client to supply goods and products for incorporating into the project.

"Construction Programme" is the programme for the works indicating the logic sequence and duration of all activities to be completed by the contractors, subcontractors, and suppliers in appropriate detail for the monitoring of progress on the works.

"Contract programme" is the construction programme for the works agreed between the contractor and the Principal Agent.

"Procurement Programme" is the programme indicating the timeous purchasing requirements for the project, including but not limited to the services of consultants, contractors, subcontractors, and suppliers required for the execution of the execution of the project programme.

"Project Initiation programme" is the programme devised by the Principal Consultant in consultation with the client and other consultants for all the work necessary to be completed prior to commencement of work by the contractors.

"Documentation programme" is schedule prepared by the Principal Consultant and agreed to by other consultants indicating the timeous provision of all necessary design documentation required by the contractors and subcontractors for the construction of the works.

"Construction Project Management Work" means the work identified under section 4 of the identification of Work document for Construction Managers.

"Construction Management Work" means the work identified under section 4 of the Identification of work document for Construction Managers

“Improper Conduct” as contemplated in section 27(3) of the Project and Construction Management Professions Act, means failure to comply with the code of conduct for registered persons.

“Public” means any person or group of persons who is, or whose environment is, either directly or indirectly affected by any project and construction management activity, or by a product, outcome or influence of a project and construction management activity, which may impact on the health, safety and interest of such person or group of persons.

“Substantially Practice” means regularly and consistently carry out project and construction management work identified in section 4 of this document, and charging professional fee for such work and accruing professional responsibility to a client or an employer for the performance of such functions.

2. BACKGROUND INFORMATION

The Central Bank of Lesotho has embarked on two (2) major construction projects, these are the development of:

- 2.1. **A Disaster Recovery Site** – shall be located at about 15 kilometer radius from the Bank. The building shall consists of three (3) stories with a basement area and will be considered a high security zone, and
- 2.2. **The Bank Extension** - Will be attached to the existing Bank building and shall consist of eight (8) stories with an adjacent three (3) storey parking area.

The Bank has appointed an Architect who in-turn has appointed a team of consultant engineers and specialists from various disciplines to provide architectural drawings and designs for the two (2) projects. Currently the project is at Design and Development stage.

There is an internal working team (Team) consisting of people from various backgrounds from within the Bank, the Team members still have their own responsibilities within their work areas, hence are **NOT** fully dedicated to the projects. The main function of the Team is to oversee the two (2) projects and reports periodically to the Bank's Management. Due to lack of expertise in construction project management, the Team has not abided by any standard rules to carry out the project activities to this stage. The Project Manager shall therefore work hand in hand with the Team to undertake all activities of project management as detailed throughout this document and rectify any omissions thus far.

Given the magnitude and scope of works for the two (2) projects, it was felt desirable and appropriate to appoint a dedicated **Project Management Company within SADC region** to oversee activities of the two (2) projects on behalf of the Team in line with the stipulated scope of works. It is envisaged that the duration of the projects shall be about 2 years.

Herein under is the detailed description of standard services (activities and functions) inherent in delivering professional **Construction Project Management (CPM)** services. In essence, this document defines the work set aside for persons registered as Construction Project Managers (Pr. CPM) in terms of the law. The standard services described in this document have been drafted to follow the identified generic project management stages.

3. OBJECTIVES OF THE ASSIGNMENT

- 3.1 To provide management oversight for all phases of the two (2) projects, from inception to completion and oversee the completion of all construction in accordance with the engineers' and architects' drawings and specifications together with the prevailing building codes.
- 3.2 The incumbent shall be responsible for ensuring compliance with quality standards. The responsibilities span a broad spectrum, covering all the areas of project management like – Cost Management, Time Management, Quality Management, Contract Administration and Safety Management.
- 3.3 Shall act as the backbone of the two (2) projects, and these require complete and thorough technical knowledge of the construction process and also, strongest possible focus on quality.
- 3.4 Shall be responsible for smooth organization, implementation and completion of the projects, within the approved budget and time to the satisfaction of the Bank.

4. SCOPE OF SERVICES

STANDARD SERVICES

The Construction Project Manager shall perform standard services under the following project stages:

PROJECT STAGES	DESCRIPTION
1	Project Initiation and Briefing (Inception)
2	Concept and Feasibility
3	Design Development
4	Documentation and Procurement
5	Construction Documentation and Management
6	Project Close Out

4.1. STAGE 1 - PROJECT INITIATION AND BRIEFING (INCEPTION)

Definition

Agreeing Bank requirements and preferences, assessing user needs and options, appointment of necessary consultants in establishing project brief, objectives, priorities, constraints, assumptions and strategies in consultation with the Bank.

Standard Services

- 4.1.1. Facilitate or formalise the development of a Clear Project Brief
- 4.1.2. Establish the Bank's procurement policy for the project
- 4.1.3. Assist the Bank in the procurement of the necessary and appropriate consultants including the clear definition of their roles, responsibilities and liabilities.
- 4.1.4. Establish in conjunction with the Bank, consultants, and all relevant authorities the site characteristics necessary for the proper design and approval of the intended project
- 4.1.5. Manage the integration of the preliminary design to form the basis for the initial viability assessment of the project
- 4.1.6. Facilitate the preparation of the formal documentation for the co-ordination and monitoring of the Project Initiation Programme
- 4.1.7. Facilitate the preparation of the Preliminary Viability Assessment report for the project
- 4.1.8. Facilitate Bank's formal approval of all Stage 1 documentation

Project Management Deliverables

- Project Brief
- Project Procurement Policy
- Signed Consultant/Client Agreements
- Project Initiation Programme
- Record of all meetings
- Approval by Bank to proceed to Stage 2

4.2. STAGE 2 - CONCEPT AND FEASIBILITY

Definition

Finalization of the project concept and feasibility

Standard Services

- 4.2.1. Assist the Bank in the procurement of the necessary and appropriate consultants including the clear definition of their roles, responsibilities and liabilities
- 4.2.2. Advise the Bank on the requirement to appoint a Health and Safety Consultant
- 4.2.3. Communicate the project brief to the consultants and monitor the development of the Concept and Feasibility within the agreed brief.
- 4.2.4. Agree the format and procedures for cost control and reporting.
- 4.2.5. Manage and monitor the preparation of the project costing by other consultants
- 4.2.6. Prepare and co-ordinate an Indicative Project Documentation and Construction Programme.
- 4.2.7. Manage and integrate the concept and feasibility documentation for presentation to the Bank for approval.
- 4.2.8. Facilitate Bank's approval of all Stage 2 documentation

Project Management Deliverables

- Signed Consultant/Client Agreements
- Indicative Project Documentation and Construction Programme.
- Approval by Bank to proceed to Stage 3

4.3. STAGE 3 - DESIGN DEVELOPMENT

Definition

Manage, co-ordinate and integrate the detail design development process within the project scope, time, cost and quality parameters

Standard Services

- 4.3.1. Assist the Bank in the procurement of the balance of the consultants including the clear definition of their roles, responsibilities and liabilities
- 4.3.2. Establish and co-ordinate the formal and informal communication structure, processes and procedures for the design development of the project.
- 4.3.3. Prepare, co-ordinate and agree a detailed Design and Documentation Programme, based on an updated Indicative Construction Programme, with all consultants.

- 4.3.4. Manage, co-ordinate and integrate the design by the consultants in a sequence to suit the project design, documentation programme and quality requirements.
- 4.3.5. Conduct and record the appropriate planning, co-ordination and management meetings
- 4.3.6. Facilitate any input from the design consultants required by Construction Manager on constructability
- 4.3.7. Facilitate any input from the design Consultants required by Health and Safety consultant
- 4.3.8. Manage and monitor the timeous submission by the design team of all plans and documentation to obtain the necessary statutory approvals
- 4.3.9. Establish responsibilities and monitor the information flow between the design team.
- 4.3.10. Monitor or facilitate the preparation of cost estimates, budgets, and cost reports
- 4.3.11. Administer the cost control process to ensure progressive design compliance with approved budget, including necessary design reviews to achieve budget compliance
- 4.3.12. Facilitate and monitor the timeous technical co-ordination of the design by the design team
- 4.3.13. Facilitate the Bank's approval of all Stage 3 documentation

Deliverables

- Signed Consultant/Bank Agreements
- Detailed Design & Documentation Programme
- Updated Indicative Construction Programme
- Record of all meetings
- Approval by Bank to proceed to Stage 4

4.4. STAGE 4 – TENDER DOCUMENTATION AND PROCUREMENT

Definition

The process of establishing and implementing procurement strategies and procedures, including the preparation of necessary documentation, for effective and timeous execution of the project.

Standard Services

- 4.4.1. Select, recommend and agree the procurement strategy for contractors, subcontractors and suppliers with the Bank and consultants.
- 4.4.2. Prepare and agree the Project Procurement Programme.

- 4.4.3. Co-ordinate and monitor the preparation of the tender documentation by the consultants in accordance with the Project Procurement Programme.
- 4.4.4. Facilitate and monitor the preparation by the Health and Safety Consultant of the Health and Safety Specification for the project
- 4.4.5. Manage the tender process in accordance with agreed procedures, including calling for tenders, adjudication of tenders, and recommendation of appropriate contractors for approval by the client
- 4.4.6. Advise the Bank, in conjunction with other consultants on the appropriate insurances required for the implementation of the project.
- 4.4.7. Administer the reconciliation of the tender prices with the project budget
- 4.4.8. Establish the format and procedures for monitoring and control of the cost of the works
- 4.4.9. Facilitate Bank approval of the tender recommendation(s).

Project Management Deliverables

- Contractors, subcontractors, and suppliers Procurement Strategy
- Project Procurement Programme
- Project Tender/Contract Conditions
- Record of all meetings
- Approval by Bank of tender recommendation(s).

4.5. STAGE 5 - CONSTRUCTION DOCUMENTION AND MANAGEMENT

Definition

The management and administration of the construction contracts and processes, including the preparation and co-ordination of the necessary documentation to facilitate effective execution of the works

Standard Services

- 4.5.1. Appoint contractor(s) on behalf of the Bank including the finalization of all agreements
- 4.5.2. Instruct the contractor on behalf of the Bank to appoint subcontractors.
- 4.5.3. Receive, co-ordinate, review and obtain approval of all contract documentation provided by the contractor, subcontractors, and suppliers for compliance with all of the contract requirements.
- 4.5.4. Monitor the ongoing projects insurance requirements.
- 4.5.5. Facilitate the handover of the site to the contractor.

- 4.5.6. Establish and co-ordinate the formal and informal communication structure and procedures for the construction process
- 4.5.7. Regularly conduct and record the necessary site meetings
- 4.5.8. Monitor, review and approve the preparation of the Contract Programme by the contractor
- 4.5.9. Regularly monitor the performance of the contractor against the Contract Programme
- 4.5.10. Review and adjudicate circumstances and entitlements that may arise from any changes required to the Contract Programme
- 4.5.11. Monitor the preparation of the contractor's Health and Safety Plan and approval thereof by the Health and Safety Consultant
- 4.5.12. Monitor the auditing of the Contractors' Health and Safety Plan by the Health and Safety Consultant
- 4.5.13. Monitor the compliance by the contractors of the requirements of the Health and Safety Consultant
- 4.5.14. Monitor the production of the Health and Safety File by the Health and Safety Consultant and contractors
- 4.5.15. Monitor the preparation by the Environmental Consultants of the Environmental Management Plan
- 4.5.16. Establish the construction information distribution procedures.
- 4.5.17. Agree and monitor the Construction Documentation Schedule for timeous delivery of required information to the contractors
- 4.5.18. Expedite, review and monitor the timeous issue of construction information to the contractors.
- 4.5.19. Manage the review and approval of all necessary shop details and product propriety information by the design consultants
- 4.5.20. Establish procedures for monitoring, controlling and agreeing all scope and cost variations.
- 4.5.21. Agree the quality assurance procedures and monitor the implementation thereof by the consultants and contractors
- 4.5.22. Monitor, review, approve and certify monthly progress payments.
- 4.5.23. Receive, review and adjudicate any contractual claims.
- 4.5.24. Administer the preparation of monthly cost reports.
- 4.5.25. Monitor long lead items and off-site production by the contractors and suppliers.
- 4.5.26. Prepare monthly project reports including submission to the Bank.
- 4.5.27. Manage, co-ordinate and monitor all necessary testing and commissioning by consultants and contractors
- 4.5.28. Co-ordinate, monitor and issue the Practical Completion Lists and the Certificate of Practical Completion
- 4.5.29. Co-ordinate and monitor the preparation and issue of the Works Completion List by the consultants to the contractors
- 4.5.30. Monitor the execution by the contractors of the defect items to achieve Works Completion

- 4.5.31. Facilitate and co-ordinate adequate access with the occupant for the rectification of defects by the contractors

Deliverables

- Signed Contractor(s) Agreements
- Agreed Contract Programme
- Adjudication and award of contractual claims
- Construction Documentation Schedule
- Monthly progress payment certificates
- Monthly project progress reports.
- Record of all meetings
- Certificates of Practical Completion.

4.6. STAGE 6 - PROJECT CLOSE OUT

Definition

The process of managing and administering the project closeout, including preparation and co-ordination of the necessary documentation to facilitate the effective operation of the project.

Standard Services

- 4.6.1. Issue the Works Completion Certificate
- 4.6.2. Manage, co-ordinate and expedite the preparation by the design consultants of all as-built drawings and design documentation
- 4.6.3. Manage and expedite the procurement of all operating and maintenance manuals as well as all warranties and guarantees
- 4.6.4. Manage and expedite the procurement of all statutory compliance certificates and documentation.
- 4.6.5. Manage the finalization of the Health and Safety File for submission to the Bank.
- 4.6.6. Co-ordinate, monitor and manage the rectification of defects during the Defects Liability Period.
- 4.6.7. Manage, co-ordinate and expedite the preparation and agreement of the final account with the relevant contractors
- 4.6.8. Co-ordinate, monitor and issue the Final Completion Defects list and Certificate of Final Completion
- 4.6.9. Prepare and present Project Closeout Report.

Deliverables

- Works Completion Certificate
- Certificate of Final Completion

- Record of all meetings
- Project closeout report

5. ADDITIONAL / SUPPLEMENTARY SERVICES

5.1. DEVELOPMENT MANAGEMENT SERVICES

The Construction Project Manager will be required to provide the following additional/supplementary development management services as may be necessary.

- 5.1.1. Facilitate the opportunity realisation process
- 5.1.2. Facilitate the procuring of land and finance
- 5.1.3. Drafting of appointment contracts for other members of the professional team.
- 5.1.4. Project management services in relation to direct contractors engaged by the Bank, such as those engaged for furniture, fittings and equipment
- 5.1.5. Mediation, arbitration proceedings and similar services. Such services will commence upon the notification of a dispute or the initiation of such proceedings
- 5.1.6. All work arising out of the failure of any consultant contractors, suppliers or other external party to perform its obligations
- 5.1.7. Services required in respect of damage to or destruction of the works, insurance matters, postponement or cancellation of agreements
- 5.1.8. Additional services resulting from changes by the Bank to previously issued instructions.

5.2. SUPPLEMENTARY SERVICES PERTAINING TO ALL STAGES OF THE PROJECT

The Construction Project Manager shall also be required to provide the following services in addition to the normal services as may be necessary.

- 5.2.1. Drafting of non-standard contracts.
- 5.2.2. Project management services in relation to direct contractors engaged by the Bank, such as those engaged for furniture, fittings and equipment.
- 5.2.3. Mediation, arbitration and litigation proceedings and similar services.
- 5.2.4. Where the Bank requires the construction project manager to, on his behalf, perform the services listed hereunder or similar work,

- i. Dealing with matters of law, obtaining parliamentary or other statutory approval, licenses or permits.
 - ii. Assisting with or participating in contemplated or actual mediation, arbitration or litigation proceedings.
 - iii. Officiating at or attending courts and commissions of enquiry, select committees and similar bodies convened by statute, regulation or decree.
- 5.2.5. Calculation and certification of professional fees applicable to other professionals engaged by the Bank on the project.
- 5.2.6. Any other services not specifically incorporated in this document.

6. COMMISSION TERMINATION

- 6.1. Should a commission be terminated the fee for the services completed shall be calculated in accordance with the procedures to be agreed between the Bank and the Project Management Company.
- 6.2. For purposes of 6.1 above, a commission shall be deemed to be terminated where the services are deferred or suspended for a period of more than 90 calendar days in the aggregate, unless otherwise agreed in writing by the parties.

7. REPORTING MECHANISM

The Project Management Company will be expected to work closely with the Team and attends to all site meetings with the Architects, Consultants and Specialists during construction period, ensuring that upon project completion there are no budget overruns.

8. PROJECT BUDGET

Price for the Project Management Company will be among the key deciding factors for consideration in the evaluation of proposals.

9. PROJECT MANAGEMENT

The Bank expects proven industry project management techniques to be used in pioneering the two (2) projects. It is the Project Management Company's responsibility to assume full responsibility for the smooth execution of the projects

10. EVALUATION CRITERIA

The following criteria will form the basis upon which the evaluation of the proposals will be made and scores given. Proposals not meeting mandatory requirements will not be considered during the evaluation process.

10.1. Mandatory Criteria:

- An original and a copy (suitable for photocopying) of the proposal must be received on time and be deposited in the tender box located at the Reception area of the Central Bank of Lesotho.

10.2. Project Costs:

- Should provide all costs associated to the project management services including any disbursements.

10.3. Payment Schedule:

- Should provide a schedule indicating the project stages at which payments will be made.
- The payment on the schedule should be linked to the deliverables.

APPENDIX I: EVALUATION CRITERIA MODEL

DESIRABLE CRITERIA	100%
A. APPROACH	10%
<ul style="list-style-type: none">• Should briefly describe how the two (2) projects will be managed.	
<ul style="list-style-type: none">• Must provide a brief description of key personnel who will be engaged in the project within its life cycle.	
<ul style="list-style-type: none">• Must identify how the Project Management Company intends to perform internal quality assurance and how personnel changes will be managed.	
B. COMPANY EXPERIENCE AND REFERENCES	60%
<ul style="list-style-type: none">• Should provide a brief summary of the suitability of the Company which outlines specifically the track record and experience relevant to the two (2) projects.	30%
<ul style="list-style-type: none">• Proposals should be accompanied by relevant project references. A list of previous project sites with their contact details should be availed so that they can be contacted during the Project Management Company's selection for this Terms of reference.	30%
C. PRICING	30%
<ul style="list-style-type: none">• Must provide indication towards remuneration of the Project Management Company inclusive of daily / hourly rates for its professional staff who will be engaged in the project	30%