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AGREEMENT

between

THE GOVERNMENT OF
THE REPUBLIC OF HAITI

and

TIPPETTS-ABBETT-McCARTHY-STRATTON

for

CONSULTING SERVICES

in connection with

THE AGRICULTURAL FEEDER ROADS PROJECT

March 1977

REPUBLIQUE D'HAÏTI

SECRETARIE D'ETAT
DES TRAVAUX PUBLICS
DES TRANSPORTS
ET COMMUNICATIONS

No. RO-1-77/ 1535

Port-au-Prince, le 18 mars 1977

Mr. Scott L. Behoteguy
Director USAID/Haiti
American Embassy
Port-au-Prince, Haiti

Ref: Agrément de Don 521-0074
intervenu entre le Gouver-
nement d'Haiti et les
Etats-Unis d'Amérique, se
rapportant au Programme de
Routes Secondaires

Ref: Grant Agreement 521-0074
between the Government of
Haiti and the United States
of America concerning the
Agricultural Feeder Road
Program.

Cher Monsieur,

Dear Sir:

1. En accord avec l'Agrément de Don 521-0074 sus-designé, je soussigné, par les présentes, fait application au nom du Gouvernement d'Haiti, pour que soit émise une Lettre d'Engagement pour couvrir les services rendus par la Firme d'Ingénieur-Conseil Tippetts-Abbott-McCarthy, Stratton (TAMS), domiciliée au 345 Park Avenue, New York City, en rapport avec le Projet de Routes Secondaires.
 2. Le montant requis de la Lettre d'Engagement est de \$900,000.00, ce qui représente \$875,000.00 du coût total en dollars du contrat d'assistance technique intervenu entre le Gouvernement d'Haiti et la TAMS et signé le 18 mars 1977, plus un montant de \$25,000.00 pour couvrir les éventuels frais de banque. Dès que des fonds additionnels du Don de l'AID deviendront disponibles, je demanderai, au nom du Gouvernement d'Haiti, que soit augmenté le montant de la Lettre d'Engagement jusqu'à ce que les coûts du Contrat estimés en dollars américains soient atteints.
1. In accordance with the above referenced Grant Agreement 521-0074 I hereby apply on behalf of the Government of Haiti for issuance of a Letter of Commitment to cover services to be furnished by the U.S. Consulting firm of Tippetts-Abbott-McCarthy, Stratton (TAMS) of 345 Park Avenue, New York City in connection with the Agricultural Feeder Road Project.
 2. The amount of the Letter of Commitment requested is \$900,000.00, which represents \$875,000.00 towards the total dollar cost of the technical assistance Agreement between the Government of Haiti and TAMS signed on March 18, 1977, plus an amount of \$25,000.00 to cover expected bank charges. As additional AID Grant funds become available, I will request on behalf of the Government of Haiti that the amount of the Letter of Commitment be increased until the estimated U.S. dollar cost of the Agreement is reached.

REPUBLIQUE D'HAITI

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No. RO-1-77/.....

Port-au-Prince, le 18 mars 1977.....

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| <p>3. Le nom et l'adresse de l'Applicant Approuvé est le Ministère des Travaux Publics, Transports et Communications, tel que représenté par le Secrétaire d'Etat, Monsieur Fernand Laurin, ou son représentant dûment autorisé.</p> <p>4. La Lettre d'Engagement devra être émise en faveur de la Chemical Bank, One East 42nd Street, New York. La date d'expiration de la dite Lettre d'Engagement sera le 30 septembre 1981.</p> <p>5. Les items qui seront financés sous cette Lettre d'Engagement sont les coûts en dollars (y compris les honoraires fixes) tel que stipulé au Contrat, et décrit plus loin dans l'Annexe B jointe au Contrat, ainsi que les charges bancaires qui s'y appliquent.</p> <p>6. L'utilisation des fonds prévus sous cet Engagement sera sujet aux exigences de facturation décrites dans la clause 4.01 du Contrat, et les paiements devront être effectués tel qu'indiqué aux clauses 4.03 et 4.04. Selon les procédures courantes de l'AID, l'approbation du Directeur de Projet de l'AID est requise avant que tout paiement puisse être effectué.</p> | <p>3. The name and address of the Approved Applicant is the Ministry of Public Works, Transportation and Communications, as represented by Minister Fernand Laurin, or his duly authorized representative..</p> <p>4. The Letter of Commitment should be opened in favor of the Chemical Bank, One East 42nd Street, New York, New York. The expiration date of the Letter of Commitment should be September 30, 1981.</p> <p>5. Items to be financed under this Letter of Commitment are the dollar costs (including fixed fee) as set out in the contract, and further described in Appendix B attached thereto, and related bank charges.</p> <p>6. Utilization of funds provided under this commitment will be subject to the voucher requirements outlined in Article 4.01 of the Agreement and payments should be made as indicated in Articles 4.03 and 4.04. In accordance with current AID procedures, the AID project officer's approval is required prior to payment being made.</p> |
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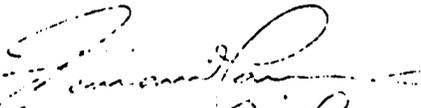
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7. Un paiement initial de \$150,000.00 à la TAMS, pour mise-à-pied est autorisé et sera amorti par déduction du montant des factures mensuelles en dollars, comme spécifié à la clause 4.03 (d) du Contrat.

7. An initial mobilization payment to TAMS of \$150,000.00 is authorized and will be amortized by deduction from monthly dollar vouchers in accordance with Section 4.03 (d) of the Agreement.

Veuillez agréer, Cher Monsieur, l'expression de mes sentiments distingués.



Ingénieur Fernand Laurin
Secrétaire d'Etat
des Travaux Publics, Transports
et Communications.

AGRICULTURAL FEEDER ROADS PROJECT
REPUBLIC OF HAITI

THIS AGREEMENT, made in triplicate at Port-au-Prince, Haiti this 18th day of March one thousand nine hundred and seventy-seven between the Government of Haiti (hereinafter called the "Government"), on the one part and Tippetts-Abbett-McCarthy-Stratton, a partnership whose registered office is situated at 345 Park Avenue, New York, in the State of New York, United States of America (hereinafter called the "Consulting Engineers") on the other part

WITNESSETH:

Whereas, the Government intends, with financial assistance from the United States of America acting through the Agency for International Development (hereinafter called "United States" or "U.S." and "A.I.D." respectively), to proceed with the Agricultural Feeder Roads project (hereinafter called "The Project"); and

Whereas, the Government has on the basis of the Scope of work described in Appendix A hereto requested that the Consulting Engineers undertake and perform the duties hereinafter described, and

Whereas, the Consulting Engineers have agreed to undertake and perform these duties subject to the terms and conditions hereinafter set forth;

NOW THESE PRESENTS WITNESS and it is hereby agreed and declared by and between the parties hereto as follows:

ARTICLE I

1.01 APPOINTMENT OF CONSULTING ENGINEERS

The Government hereby appoints the Consulting Engineers and the Consulting Engineers hereby accept

the appointment on the terms and conditions hereinafter set forth.

ARTICLE II

2.01 DUTIES OF THE CONSULTING ENGINEERS

(1) Scope of Services - General

The Consulting Engineers shall assist the Government by providing in accordance with good engineering practice engineering services relating to improvement of the management, design, construction of the feeder road program in Haiti as well as the establishment of training programs and the training of Government personnel. The Consulting Engineers shall perform and be responsible for the technical assistance work, more particularly described in Appendix A hereof and as budgeted in Appendix B hereof attached to this Agreement, subject to such variation or modification as may be specifically provided by this Agreement or agreed in writing by the parties hereto. These Appendices are considered an integral part hereof.

(2) The Project area is the entire island of Haiti. It is envisaged that approximately 940 kilometers of Feeder Roads will be reconstructed over a four-year period.

(3) The Consulting Engineers shall be employed to carry out work under this Agreement for a period of forty-eight months subject to the provisions of Clauses 9.02, 9.03 and 9.04.

(4) The Consulting Engineers will assign to the field suitably qualified French speaking personnel acceptable to the Government and A.I.D. to carry out the work as described above. For the purposes of the technical assistance program, a project office will be established in Port-au-Prince as provided for in Section 2.03 (b). Field offices will be .

provided by the Government as required for the successful performance of the work.

The estimated overall level of effort for the period of this Agreement, as described in the Appendices is as follows:

	<u>Man-Months</u>
Expatriate staff in Haiti	255
Home office staff	
-in New York	5.75
-temporary duty in Haiti	26.75
Subcontract: technical staff	<u>18</u>
TOTAL	305.5

2.02 COMMENCEMENT AND COMPLETION

This Agreement shall become effective upon the signing by both parties of said contract. The final report date shall be forty eight (48) months after the date the first team member arrives in Haiti or such date thereafter as may be established by written mutual agreement. Work shall commence within (30) days of contract execution provided that an irrevocable and confirmed Letter of Credit has been established in favor of the Consulting Engineers in the Chemical Bank, One East 42nd Street, New York, N.Y., U.S.A.

2.03 UNDERTAKINGS BY THE GOVERNMENT

The Government will provide the Consulting Engineers with information and facilities as specified below:

- (a) Government Representation and Liaison
The Government will:
- (i) Designate a Project Manager to act as its official representative and to be the authorized medium of communications and

of approval in all matters pertaining to the Project to be performed by the Consulting Engineers under this Agreement; also provide the counterpart in-house personnel necessary for training and proper execution of the program;

- (ii) Provide liaison and ensure that the Consulting Engineers have access to all available information reasonably required for the performance of their duties; and
- (iii) The Consulting Engineers, during the course of the project, may ask the Government to replace any of its personnel assigned for training if they are found to be unreceptive to the training or unsuitable for the work they are to perform per the evaluation process.

(b) Office Facilities, Transportation, Administrative, and Support Staff

The Government will provide the Consulting Engineers on a timely basis for the fulfillment of the Consulting Engineers' responsibility in the implementation of the project:

- (i) A suitable project office in Port-au-Prince with furnishings, equipment and supplies, telephone services, electricity, air conditioning and utilities;
- (ii) Administrative and support personnel as listed in Appendix B or additional counterpart in-house personnel as may become necessary with the agreement of the Government, but to at least include a secretary/typist, a draftsman, a driver, a night watchman and a messenger;
- (iii) Transportation and transportation equipment, including operating cost of vehicles as indicated in Appendix B; and
- (iv) Field offices and temporary field housing as required for the successful completion of the work.

The Consulting Engineers may provide, some or all of the items (i), (ii), (iii) and (iv) above on a cost reimbursable basis, if the Government is unable to provide them on a timely basis.

(c) Visas, Permits, etc.

The Government shall grant all visas and permits required to enable the non-Haitian personnel of the Consulting Engineers and their dependent families to enter and work in Haiti in order to perform their duties to the extent that the law permits, subject however to the provisions of Section 10.03 (c) hereof.

ARTICLE III

3.01 SERVICES TO BE RENDERED

The Consulting Engineers shall perform all work under this Agreement (hereinafter called "the Services") in accordance with Sections 2.01 and 2.02 of this Agreement. The Services shall be performed in general accord with the Estimated Work Schedule included in Appendix B hereof.

3.02 REPORTS

At the end of each month the contractor will prepare and submit a report in six (6) copies each in French and English; the French to the Government and the English to USAID-Haiti. The report shall include a short summary of actions taken and the general status of the project elements. This report should identify the major activities undertaken during the month, accomplishments, identification of problems and proposed action to resolve them, and an indication of plans for the coming month.

A draft final report will summarize the overall activities taken under the project and indicate the status of all major actions. The draft final report will be submitted to the Government three months before completion of the Project. Within

sixty days of receipt of the draft final report, the Government will submit comments on the report.

Thirty days after receiving the Government's comments on the draft final report, the Consulting Engineers will submit ten copies in French of the final report to the Government and ten copies in English to USAID-Haiti. Other special reports will be provided by the Consulting Engineers as requested by the Government and/or A.I.D.

ARTICLE IV
PAYMENTS TO THE CONSULTING ENGINEERS

4.01 U.S. DOLLAR CHARGES

For the services referred to in Section 3.01, the Government agrees to pay the Consulting Engineers in U.S. Dollars the following costs incurred in connection therewith as follows:

- (a) The cost of time spent by Partners performing the services in Haiti and at the home office per working day. The partners shall spend at least five (5) days and not more than fifteen (15) days of technical time per year directly attributable to the Services.
- (b) The cost of time spent performing the Services by home office personnel not normally resident in Haiti who perform services in the U.S. or who are assigned to work in Haiti for a period of six (6) months or less. The time of such personnel shall be charged per working day at a rate derived by dividing the annual cost of time (i.e. direct salary exclusive of social charges) by 252. Social charges as referred to above are defined as vacation, sick leave, payroll taxes, payroll insurances and the employee bonus plan.
- (c) One hundred twenty-five percent (125%) of the cost determined as in 4.01 (b) above to provide for the cost of social charges and overhead. This rate has been established based on audits by the U.S. Government over the past several years.

- (d) The cost of time exclusive of vacation, spent performing the Services by personnel not normally resident in Haiti who are assigned to work in Haiti for periods exceeding six (6) months. The time of such personnel shall be charged per calendar month at a rate derived by dividing the annual cost of time (i.e. direct salary exclusive of the social charges) by 12. In all cases where it shall be necessary to compute payments for periods of less than one (1) calendar month such computation shall be made on a day basis treating one day as one-thirtieth of a month. In the case of personnel not normally resident in Haiti and who are assigned to Haiti for more than six (6) months the sick leave portion of the social charges listed under Section 4.01(b) is limited to the costs of sick leave in excess of that covered under Section 4.03(g).
- (e) Eighty percent (80%) of the cost determined as in 4.01(d) above to provide for the cost of social charges and overhead. This rate has been established based on audits by the U.S. Government over the past several years.
- (f) A fixed fee of U.S. \$240,000. This fee shall be paid monthly in 24 equal instalments of U.S. \$8,000 commencing with the first invoice submitted by the Consulting Engineers after the commencement of work in Haiti and in 23 equal monthly instalments thereafter of U.S. \$1,800. The final payment of U.S. \$6,600 shall become due 30 days after receipt by the Government and U.S.A.I.D.-Haiti of 10 copies each of the Final Report referred to in Article 3.02.
- (g) The actual cost of economy or tourist class transportation by the most direct route between New York and Haiti for the purpose of the Services by personnel of the Consulting Engineers not normally resident in Haiti who are assigned to work in Haiti for a period of less than six (6) months (including round trip tickets, transportation to and from airports, airport taxes, local transportation and baggage handling).

- (h) The actual cost of economy or tourist class transportation by the most direct route between the personnel's permanent place of residence and Haiti for the purpose of the Services by personnel of the Consulting Engineers not normally resident in Haiti who are assigned to work in Haiti for a period of more than six (6) months (including round trip tickets, transportation to and from the airports, airport taxes, local transportation and baggage handling).
- (i) The actual cost of excess luggage which shall not exceed for each authorized person assigned to Haiti for a period of more than six (6) months, and members of his family, fifty (50%) percent of the free baggage allowance. The actual cost of excess luggage which shall not exceed for each authorized person, assigned to Haiti for less than six (6) months, fifty (50%) percent of the free baggage allowance.
- (j) The actual cost of economy or tourist class transportation by the most direct route from the personnel's permanent residence to and from Haiti by the wives and children (eighteen (18) years of age or under) of personnel not normally resident in Haiti who are assigned to work in Haiti for the purpose of the Services for a continuous period of six (6) months or longer (including round trip tickets, transportation to and from the airports, airport taxes, local transportation and baggage handling).

It is understood that the Government will not pay for the cost of transportation of wives and/or children unless the said wives and/or children remain in Haiti for a continuous period of more than three (3) calendar months. Personnel of the Consulting Engineers who are not normally resident in Haiti and their families will be entitled to one (1) return trip (at the rate given above) to their permanent place of residence after every twelve (12) calendar months of continuous duty in Haiti performing the Services provided that such person returns to Haiti to perform the Services for a period of six (6) calendar months or more. U.S. and Haitian carriers shall be used for International travel and freight, in accordance with current A.I.D. Guideline outlined in AIDTO Circular A-577.

- (k) A lump sum payment of \$3,000 for each employee in married status and \$2,000 for each employee in single status to cover the cost of storage and/or packing and shipping by surface freight of household goods to and from the employee's point of departure for the personnel of the Consulting Engineers who are assigned for duty in Haiti for a continuous period of six (6) months or longer. The disbursement of the lump sum payment will be made in two separate equal installments, one after he has been accepted by the Government and the second only after the satisfactory completion of his mission. If an employee does not satisfactorily complete his mission, he forfeits the second installment.
- (l) Reimbursement for 200 pounds of air freight from point of departure to Haiti and return for each staff member assigned to Haiti for six (6) months or more, and 100 pounds for each authorized dependent.
- (m) Per diem for travel between the United States and Haiti and within the United States will be reimbursed at U.S. \$15.00 per day per authorized traveler, limited to one day travel time in each direction. The actual costs of transport to and from airports are not included in the above mentioned limitation in daily cost.
- (n) A lump sum payment of fifty dollars (\$50.00) to cover the costs incurred in the United States for passports and inoculations of personnel not normally resident of Haiti, who are assigned to work in Haiti for a period of less than six (6) months.
- (o) A lump sum payment of two hundred dollars (\$200.00) to cover the costs incurred in the United States for passports, inoculations and medical examinations for personnel and each of his/her dependents not normally resident in Haiti who are assigned to work in Haiti for a period of more than six (6) months.
- (p) The actual reproduction and printing costs directly applicable to the Services under this Agreement including xerox, blueprinting, photostating, mimeographing, commercial printing and binding and similar costs.

- (q) The actual cost of communications (long distance telephone calls, telexes, cables), shipping of reports and documents, related to the work under this Agreement.
- (r) The actual cost of motor vehicles if not furnished by the Government on a timely basis or other equipment procured for the Services, including shipping costs, insurance and handling charges of such vehicles and other equipment. Approval by the Government and A.I.D. will be sought prior to the purchase of such vehicles and equipment.
- (s) The actual cost of computer time charges for use of the Consulting Engineers' computer or outside computer rental for work within the scope of this Agreement.
- (t) To the extent that insurance premiums are not normally included in the Consulting Engineers' overhead, the actual premiums paid will be reimbursed for air freight and marine insurance and such other insurance premiums as is specifically provided for in the Agreement.
- (u) Other direct costs which are not specified above and which are incurred in direct support of the Services, subject to approval by the Government and A.I.D.

4.02 HAITIAN GOURDES CHARGES

For the Services referred to in Section 3.01, the Consulting Engineers shall be paid in Haitian gourdes the local costs incurred in connection with the following:

- (a) The payroll costs for local administrative and support staff engaged directly by the Consulting Engineers for the Services and not provided by the Government as per 2.03 (b). Monthly payroll cost for an individual will be calculated as the direct monthly salary times a factor of 1.50 to cover the cost of annual and sick leave, and all other social charges including local legal and other miscellaneous non-reimbursable charges. The factor used is based on present social charges and employee benefits as prescribed by law and will be subject to modification as a result of changes in the laws presently in force.

In all cases where it shall be necessary to compute payments for a period of less than one (1) calendar month, such computation shall be made on a day basis treating one day as one-thirtieth of a month.

- (b) The actual operation and insurance cost of motor vehicles used in connection with the performance of duties directly attributable to the Services if not furnished by the Government on a timely basis.
- (c) The actual cost of adequate and suitably equipped office accommodations if not furnished by the Government on a timely basis and including utilities, upkeep, airconditioning and other facilities as may be required for the performance of the Services in Haiti.
- (d) All reasonable and proper out-of-pocket expenses incurred in Haiti and directly attributable to the Services, which without limiting the generality of the foregoing shall include materials, office equipment purchased in Haiti, reproduction, long distance telephone, cable, telegraph, shipping and postal charges, computer time charges, and insurance and other expenses approved by the Government.
- (e) The following per diems and allowances for personnel of the Consulting Engineers not normally resident in Haiti:
 - (i) Per diem in Haiti of U.S. based staff
 - (ii) Temporary Living Allowance for newly arrived resident personnel
 - (iii) Annual Housing and Utility Allowance
 - (iv) Educational Allowance
 - (v) Field per diem for resident staff

The rates shall be as established by the U.S. Embassy in Haiti and as prevalent at the applicable time. Where no Embassy rates are established, the rates shall be as mutually agreed by the Consulting Engineers and the Government. At the time the contract was negotiated these allowances are as follows:

- (i) Local daily per diem U.S. based staff
 - Port-au-Prince \$42 per day
 - Elsewhere in Haiti \$26 per day

- (ii) Temporary daily Living Allowance for newly Arrived resident staff
 - \$20/day each person in family 11 or over
 - \$10/day each person in family under 11.

- (iii) Annual Housing and Utility Allowance (Rates are maximum, and reimbursable up to maximum or actual cost, whichever is less)

	Single Status	With Family
-Annual base salary Less than \$28,400	\$5,000/yr.	\$6,500/yr.
-Annual base salary Equal or greater than \$28,400	\$6,500/yr.	\$6,900/yr.

- (iv) Annual Education Allowances (but not more than actual tuition paid)
 - Kindergarten to 6th grade \$900/year
 - Grades 7 to 12 \$1100/year

- (v) Daily Field Per Diem Resident Staff
 - Without quarters furnished \$20 per day
 - With quarters furnished \$10 per day

Above rates are given in U.S. dollar but per diems and allowances will actually be paid in equivalent Haitian Gourdes.

4.03 GENERAL - CHARGES AND PAYMENTS

- (a) Attached to this Agreement is Appendix B containing total cost estimates of this Agreement.

- (b) Notwithstanding any other provision herein, the Government's liability under this Agreement shall not exceed the total of (i) U.S. \$1,912,615 and (ii) 3,062,400 Haitian Gourdes. The Consulting

Engineers shall not exceed the above total costs without the prior written approval of the Government and A.I.D. The amounts indicated in the different line items of Appendix B. may be adjusted within the total amount with the approval of the Government and A.I.D.

- (c) If the Consulting Engineers are called upon by the Government to undertake any work not included or implied in this Agreement, the Consulting Engineers shall be compensated for the cost thereof in accordance with the methods set out in Section 4.01 and 4.02 provided that prior to the commencement of such changes or extra work, the Consulting Engineers shall have received approval in writing for such changes or extra work from the Government and A.I.D. The Consulting Engineers shall keep separate records for such changes or extra work.
- (d) The Consulting Engineers shall submit to the Government monthly vouchers covering all actual direct expenses and the applicable share of overhead expenses as specified in Sections 4.01 and 4.02. Payment shall be made to the Consulting Engineers upon determination by the Government that the Consulting Engineers have met and are meeting their obligations under this Agreement. The Consulting Engineers will submit separate vouchers for U.S. Dollar costs and Gourdes cost.

Upon the effective date of the Agreement, as determined in Section 2.02, the Consulting Engineers shall received an initial mobilization payment of U.S. \$150,000.00 U.S. This initial mobilization payment shall be amortized against the Consulting Engineers' regular monthly Dollar vouchers at the rate of \$15,000 U.S. per month for a period not to exceed ten (10) months. The fixed fee in U.S. dollars shall also be paid in monthly payments as per Section 4.01 (i).

The reimbursable costs of goods and services obtained by the Consulting Engineers in Haiti shall be paid in Gourdes and the reimbursable costs of goods and services obtained by the Consultant in the United States shall be paid in U.S. Dollars.

Such expenses shall be reimbursed at actual cost on submission of certified vouchers with the relevant receipts.

- (e) The cost of earned vacation is included in the charges covered by the factors applied to salaries in Section 4.01 (c), 4.01 (e) and 4.02 (a). The Consulting Engineers shall not be reimbursed for salary costs of employees on vacation.
- (f) Holiday releases from duty, shall be in accordance with established local practices and customs, and shall be reimbursable under this Agreement.
- (g) During periods of illness, up to a maximum of three weeks per annum, the Consulting Engineers' personnel not normally resident in Haiti who are assigned to work in Haiti for a period of six (6) months or more shall be carried on full salary and shall be reimbursable under this Agreement. Sick leave in excess of three weeks is included in the charges covered by the factor given in Section 4.01 (e). For absence from work for a period longer than three days because of illness, employees shall be required to provide a physician's certificate.
- (h) The period of employment for personnel not normally resident in Haiti who are assigned to work in Haiti for a continuous period exceeding six (6) calendar months shall commence one calendar day before the date of their commencement of work in Haiti and continue until one calendar day after the termination of their work in Haiti.
- (i) The travel time of the personnel assigned to Haiti for less than six (6) months shall be considered as a work day, limited to one (1) day travel time in each direction.

4.04 PAYMENT OF U.S. DOLLAR CHARGES

- (a) As soon as this Agreement is signed and approved by A.I.D., the Government will request A.I.D. to issue a Letter of Commitment for a portion of the estimated U.S. Dollar costs of the Agreement. As additional AID Grant funds become available, the amounts of the Letter of Commitment and related Letter of Credit will be increased until the estimated U.S. dollar cost of the Agreement is reached. Upon receipt of advice that the Letter of Commitment has been issued, the Government shall open an irrevocable and confirmed Letter of Credit for the same amount

in favor of the Consulting Engineers at the Chemical Bank, One East 42nd Street, New York, New York. This Letter of Credit will provide for the Consulting Engineers to submit directly to the Bank a duplicate copy of each monthly payment voucher and A.I.D. Contractor's Certificate and Agreement executed by the Consulting Engineers. The Letter of Credit shall also provide that after receipt of the invoice and A.I.D. Contractor's Certificate and Agreement, form AID 1440-3, the Bank shall upon receipt of the Government's Certificate pay the Consulting Engineers the amount stated in the Government's Certificate, provided, that, if the Government's Certificate is not received by the Bank within 30 days after the Bank's receipt of the invoice and A.I.D. Contractor's Certificate and Agreement, then the Bank shall immediately pay the Consulting Engineers the amount stated in the invoice.

If the Government's Certificate excludes given items listed in the Consulting Engineers voucher because of non-performance, lack of justification, documentation, or for any other reason and this certification does not reach the Bank within the specified thirty (30) day period, the Bank shall be instructed to make the deduction of such non-allowed items from the voucher of the following month.

The Government will use its best efforts to mail its Certificate to U.S.A.I.D. Project Manager, who will countersign and forward to the Bank in time to arrive at the Bank prior to the thirty (30) day limit listed above.

At the time the Government mails its Certificate, it will forward one copy of this Certificate to the Consulting Engineers' Project Manager in Haiti. Final payment cannot be made without the Government's Certificate as countersigned by U.S.A.I.D. Project Manager.

- (b) At the end of each calendar month the Consulting Engineers shall submit three (3) copies in French and three copies in English of their invoices to the Government. The English copies will be signed and sent to U.S. A.I.D. -Haiti, for countersignature prior to forwarding to the Bank. The invoices shall have appropriate references to this Agreement and

showing:

- (i) the total estimated cost of the Agreement discriminated by individual line items;
- (ii) the amounts previously received and/or claimed as progress payments;
- (iii) the amount being invoiced for payment; and
- (iv) the total amount invoiced to date for each item.

(c) The invoice shall be prepared with the following Government Certificate on its face for signature by a duly authorized representative of the Government.

"The undersigned certifies that (a) the services (or equipment and materials) for which reimbursement is requested have been satisfactorily delivered, (b) the costs thereof are properly reimbursable in accordance with the Agreement and (c) all reports or recommendations have been received and are in accordance with the terms of the contract.

Signed _____

Date _____ Title _____
Authorized Representative"

(d) The invoice for the final payment shall also be prepared with the following Government Certificate on its face for signature by a duly authorized representative of the Government.

"The undersigned certifies that the Services for which final payment is invoiced meet in all respects the specification prescribed in the covering Agreement for the Services and the amount invoiced is properly due and payable under the terms of the Agreement.

Signed _____

Date _____ Title _____
Authorized Representative"

- (e) The Government will undertake to sign the Government Certificate and send with attached approved invoice to U.S.A.I.D.-Haiti, so that U.S.A.I.D. can forward the countersigned Government Certificate to the Chemical Bank of New York, New York within thirty (30) days of receipt by the Government unless exception is taken to the progress or amount claimed, in which case the Government shall notify the Consulting Engineers in writing within said thirty (30) days period giving reasons for the withholding of approval.
- (f) If the Government's Certificate excludes given items listed in the Consulting Engineers voucher because of nonperformance, lack of justification, documentation, or for any other reason and this certification does not reach A.I.D. within the specified thirty (30) day period, A.I.D. shall be instructed to make the deduction of such non-allowed items from the voucher of the following month pending satisfactory documentation and/or justification being furnished.

4.05 PAYMENT OF HAITIAN GOURDE CHARGES

- (a) Within two (2) weeks of the end of each month, the Consulting Engineers shall submit to the Government three (3) copies in English and one (1) copy in French of an itemized statement of charges (monthly invoices) setting out the amounts due in Gourdes in respect to the previous month. Subject to the conditions set forth in 4.03 (b) and (d) above the Government shall approve it for payment and such approval shall not be unreasonably withheld in whole or in part.
- (b) The Consulting Engineers shall submit directly to A.I.D. a duplicate copy of each monthly payment voucher in English, and an A.I.D. Contractor's Certificate and Agreement executed by the Consulting Engineers.

After receipt of the invoice and A.I.D. Contractor's Certificate and Agreement, A.I.D. shall upon receipt of the Government's Certificate initiate payments to the Consulting Engineers in the amount stated in the Government's Certificate provided, if A.I.D. does not receive the Government's Certificate within thirty (30) days after receipt of the voucher and A.I.D. Contractor's Certificate and Agreement, then A.I.D. shall immediately initiate payments to the Consulting

Engineers in the amount stated in the voucher.

If the Government's Certificate excludes given items listed in the Consulting Engineers voucher because of nonperformance, lack of justification, documentation, or for any other reason and this certification does not reach A.I.D. within the specified thirty (30) day period, A.I.D. shall be instructed to make the deduction of such non-allowed items from the voucher of the following month pending satisfactory documentation and/or justification being furnished.

The Government will use its best efforts to mail their Government Certificate to A.I.D. in time to arrive at A.I.D. prior to the thirty (30) day limit listed above.

At the time the Government mails the Government Certificate, it will forward one copy of this Certificate to the Consulting Engineers' Project Manager in Haiti. Final payment cannot be made without the Government's Certificate.

ARTICLE V

5.01 ACCOUNTS

The Consulting Engineers shall keep accurate and systematic records and accounts of transactions under or in connection with this Agreement including staff time and expenses in respect of the Services and shall permit authorized agents or representatives of the Government and A.I.D. to inspect and audit the same during the term of this Agreement and for a period of three (3) years after final payment under this Agreement.

ARTICLE VI

6.01 INFORMATION

The Consulting Engineers shall furnish to the Government and A.I.D. such information as they shall reasonably request concerning the Services.

ARTICLE VII

7.01 TAXES

Payments made to Consulting Engineers which are

chargeable to the U.S. funds will be free from all taxes (including income taxes of employees other than Haitians) levied or which may be levied in Haiti in respect of the performance by them of the Services. If any taxes, fees, levies, or other impositions are imposed under the Laws of Haiti on payments made to the Consulting Engineers or their personnel not normally resident in Haiti, the Government shall bear the cost of such taxes, fees and levies.

7.02 MATERIALS AND EQUIPMENT IMPORTED FOR THE SERVICES

- (a) The Government will allow the Consulting Engineers to import free of duties such materials and equipment including motor vehicles as may be required for the Services provided such items are either re-exported or handed over to the Government at the conclusion of the Services. The Consulting Engineers shall be responsible for the safe custody of any items purchased for the Services with Project funds until completion of the Services and shall hand over said items to the Government on completion of their Services or at such other appropriate dates prior to completion of Services.
- (b) The Government will allow the personnel of the Consulting Engineers assigned to work in Haiti for a continuous period of six (6) months or longer to import, free of duties, household and personal effects provided such items are re-exported. Where such goods are not re-exported but are disposed of in Haiti to parties other than the Government, normal duties are payable thereon.

ARTICLE VIII

GENERAL PROVISIONS

8.01 OWNERSHIP OF PLANS, ETC.

The Consulting Engineers agree that any reports and maps, diagrams, plans, statistics and other relevant data compiled in the course of the Services shall be the property of the Government, and the Consulting Engineers agree that they will deliver these materials to the Government upon completion of the project. All documents will be accessible to the Government at all times.

8.02 CARRYING OUT OF THE SERVICES

The Consulting Engineers agree that they will carry out the Services in the most efficient and practical manner, due regard being given to consideration of economy.

ARTICLE IX

ARBITRATION, TERMINATION AND FORCE MAJEURE

9.01 ARBITRATION

- (a) If at any time prior to the acceptance of the Final Report any dispute or difference shall arise between the Consulting Engineers and the Government, the Consulting Engineers shall, as a condition precedent to a request for arbitration, give notice in writing to the Government of their intention to appeal against the decision of the Government within one (1) month after the Government has made known its decision to the Consulting Engineers. Pending resolution of such appeal, the Consulting Engineers shall carry out the Services continuously in accordance with the Agreement. Failing such written notice being given within one (1) month as required above any such dispute or difference shall be deemed to have been determined by the decision of the Government and cannot thereafter be appealed against and such failure to give written notice of appeal shall be an absolute bar to any further or other claim, action or proceeding by the Consulting Engineers in respect of such dispute or difference.
- (b) Any dispute or difference arising out of this Agreement and not determined as provided for in 9.01 (a) above shall be settled by the Regulations of Conciliation of the International Chamber of Commerce.

9.02 TERMINATION OF AGREEMENT BY THE GOVERNMENT

- (a) The Government shall have the right to postpone, delay, suspend or terminate this Agreement upon serving not less than sixty (60) days notice in writing to the Consulting Engineers.
- (b) Upon receipt of such notice, the Consulting Engineers will take immediate steps to bring the work to a close in a prompt and orderly manner, and to reduce expenditures to a minimum.

- (c) In the event of postponement, delay or suspension by the Government of the Agreement at any time, the Consulting Engineers shall be entitled to compensation for all reasonable costs incurred to effect orderly suspension and re-starting of the work under this Agreement, including costs resulting from commitments or obligations taken or incurred in good faith in connection with the Services before notice was given.
- (d) In the event of termination other than for default, the Consulting Engineers shall receive equitable compensation for so much of the work as shall have been satisfactorily performed at the date of termination plus all costs to effect orderly termination of the work under this Agreement including all costs resulting from commitments or obligations undertaken or incurred in good faith in connection with the Service before notice is given.
- (e) The Government shall have the right to terminate this Agreement for default upon serving not less than thirty (30) days notice in writing to the Consulting Engineers if the Consulting Engineers refuse or fail to carry out the Services with such diligence as will ensure their satisfactory completion or are negligent, incompetent or irresponsible in relation to their duties. In such case the expense of termination shall be for the account of the Consulting Engineers.

9.03 TERMINATION OF AGREEMENT BY THE CONSULTING ENGINEER

In the event the Consulting Engineers do not receive payments in accordance with the submitted invoices within sixty (60) days following the due dates specified in this Agreement (subject to the provisions of Section 4.03 and 9.02) such failure will be considered an act of default and if not corrected within thirty (30) days following such sixty-day period the Consulting Engineers may, without liability, terminate this Agreement and immediately cease all work being carried on hereunder and recall their foreign personnel.

9.04 FORCE MAJEURE

- (a) If the Consulting Engineers by force majeure or laws or regulations or actions or failure to take

timely action required hereunder on the part of the Government are temporarily rendered wholly or partly unable to perform their duties and responsibilities under this Agreement it is agreed that when notice and full particulars in writing are given to the Government by the Consulting Engineers as soon as possible but not more than thirty (30) days after the occurrence of the cause relied on, the duties and the responsibilities of the Consulting Engineers so far as they are affected by such cause shall be suspended during the continuance of any inability so caused but for no longer period and such cause shall so far as possible be removed with all reasonable dispatch. The term "force majeure" as employed herein shall mean Acts of God, strike not caused by their own fault, act of the public enemy, wars, blockades, insurrections, riots, epidemics, hurricanes, earthquakes and any other cause similar to the kind herein enumerated or equivalent force not within the control of either party and which by the exercise of due diligence neither party is able to overcome. During the period the duties or responsibilities of either party are suspended as hereinabove provided the Government shall reimburse the Consulting Engineers for their costs. During the period of any suspension, the Consulting Engineers shall not incur any unnecessary expenses.

- (b) If such causes as set forth in 9.04 (a) above shall continue for a period of more than thirty (30) days after notice thereon has been given to the Government, either party may terminate this Agreement upon not less than sixty (60) days notice in writing to the other.
- (c) Upon the giving or receipt of such notice of termination the Consulting Engineers shall proceed in the same manner as set forth in Section 9.02 (b) and (d).

9.05 PAYMENT UPON TERMINATION

Upon termination of this Agreement pursuant to the provision of Sections 9.02, 9.03 and 9.04 of this Article, no payment shall be made to the Consulting Engineers except for work or services performed or expenditures incurred prior to the date of such termination and, except in the case of default by the Consulting Engineers, for those incident to the orderly liquidation of their work and demobilization of their personnel in the settlement of their obligations hereunder.

ARTICLE X

GENERAL

10.01 ASSIGNMENT

This Agreement shall not be assigned by the Consulting Engineers without the prior written consent of the Government and A.I.D. The Government shall have the option of terminating this Agreement upon the death of the survivor of the partnership but without prejudice to the accrued rights of either party against the other under this Agreement; provided, however, that the Consulting Engineers may at any time and from time to time take into partnership another partner or partners and he or they or the survivor of them shall thereafter be deemed to be included in the expression "Consulting Engineers".

10.02 SUBLETTING: SUBCONTRACTING

This Agreement shall not be sublet or subcontracted either in whole or in part without the written consent of the Government and A.I.D. On the proposed subcontract, such consent, if given, shall not relieve the Consulting Engineers of any liability or obligation under the terms of this Agreement.

10.03 PERSONNEL

- (a) The Consulting Engineers shall employ only personnel who are fully qualified by their technical or professional or executive experience or background to perform competently all duties which may be assigned to them. The Consulting Engineers shall use their best efforts to select and employ personnel who, in their judgment, will be reliable and most likely to perform satisfactorily the terms of their employment agreements and will comply fully with applicable laws and with the Government's policy and rules relating to the conduct and behavior of foreign personnel in Haiti. In selecting personnel for this project, the Consulting Engineers shall give due consideration not only to their professional competence but also their character, personality and fluency in French. Attempts will be made to utilize Haitian personnel where found qualified and available. The team leader shall have professional proficiency and be able to speak the French language with sufficient structural

accuracy and vocabulary to participate effectively in formal and informal conversation on practical social and professional topics.

The remaining professional resident staff shall have a working proficiency and be able to satisfy routine social demands and work requirements.

The mechanics shall have an elementary proficiency in the French language, possess the basic vocabulary necessary for his work and be able to satisfy minimal social demands.

- (b) In performance of all duties, the Consulting Engineers shall be responsible for the professional conduct of their personnel and shall, except in relation to activities contrary to the Laws of Haiti, have full authority and responsibility for taking any necessary corrective action.
- (c) The Consulting Engineers agree at the written request of the Government to terminate the employment or the services of any individual or individuals if the Government is of the opinion that for security reasons or competence or other valid reasons termination is required. In the event of such termination, the Consulting Engineers shall provide suitable replacement/s and shall bear all costs associated with such termination and replacement.
- (d) The Consulting Engineers shall be responsible for determining that all employees are physically fit and shall submit in respect of each employee assigned to work in Haiti hereunder a Certificate executed by a Registered Medical Practitioner to the effect that such employee and his dependents authorized to accompany him, as the case may be, are physically fit for the conditions which may be anticipated to exist in the course of his employment in Haiti. The Consulting Engineers shall not be paid for any additional costs incurred because of inadequate medical examinations of such employees and dependents or which might have been anticipated as a result of such examination.
- (e) Each employee not normally resident in Haiti who is assigned by the Consulting Engineers to work in Haiti under this Agreement shall devote himself solely and exclusively to work in connection with the Services while in Haiti and shall not engage, directly or in-

directly either in his own name or through the agency of another person, in any other business, profession or occupation; nor shall he make loans or investments to or in any business, profession or occupation in Haiti.

- (f) The Consulting Engineers shall furnish full particulars of all technical and professional personnel it proposes to employ under this Agreement and for any other personnel which the Government may request. A.I.D. and the Government shall approve in writing the qualifications of such technical and professional personnel.

10.04 INTERPRETATION

This Agreement shall be governed by and construed in accordance with the Laws of Haiti.

10.05 CESSATION OF GOVERNMENT'S LIABILITY

The Government shall not be liable to the Consulting Engineers for any matter or thing arising out of or in connection with the Agreement or the execution of the Services unless the Consulting Engineers shall have made a claim in writing in respect thereof within thirty (30) days of the receipt by Government of twenty (20) copies of the Final Report.

10.06 UNFULFILLED OBLIGATIONS

Notwithstanding the conditions set forth in Section 10.05 above, the Consulting Engineers and the Government shall remain liable for the fulfillment of any obligation incurred under the provisions of this Agreement prior to the issue of the Final Report which remains unperformed at the time such Report is issued and for the purposes of determining the nature and extent of such obligation this Agreement shall be deemed to remain in force between the parties hereto.

10.07 EXTENDED SERVICES

In the event the project referred to herein requires additional time to complete over and above the allocated forty eight (48) months, the Government shall have the right to retain the services of the Consulting Engineers. In such case, the contract provisions and cost basis shall apply with an equitable commensurate increase in the fixed fees.

as may be approved by the Government and A.I.D.

10.08 PROCUREMENT

- (a) Except for ocean shipping and as otherwise set forth herein, goods and services procured by the Consulting Engineers in connection with the Services shall have their source and origin in Haiti or in the United States. Ocean shipping procured in connection with the Services shall have its source and origin in Haiti or in the United States.
- (b) Motor vehicles procured in connection with the Services and charged to the A.I.D. Loan must be of United States source and origin.
- (c) Marine insurance procured by the Consulting Engineers in connection with the Services may be procured in Haiti or in the United States, provided that such insurance is placed at the lowest available competitive rate and claims thereunder are payable in U.S. Dollars or Haitian Gourdes. If in connection with the placement of marine insurance, Haiti, by statute, decree, or regulation favors any marine insurance company over any marine insurance company authorized to do business in any state of the United States of America, goods procured in connection with the Services financed by A.I.D. shall, during the continuance of such discrimination, be insured against marine risk in the United States of America.
- (d) Copies of the A.I.D. Handbook 11, Country Contracting, Chapter 1 through 3, dated March 31, 1975, shall be made available to the Consulting Engineers.
- (e) Unless A.I.D. and the Government otherwise agree in writing, goods and services procured by the Consulting Engineers which do not conform with this Section 10.08 shall not be financed by A.I.D.

10.09 A.I.D. APPROVAL

- (a) The parties hereto understand that A.I.D. has reserved certain approval rights including, but not limited to the right to approve the terms of this Agreement, the Consulting Engineers and any or all plans, reports, specifications, subcontracts, bid

documents, drawings or other documents related to this Agreement and the Project of which it is a part. The parties hereto further understand and agree that A.I.D. in reserving any or all of the foregoing approval rights, has acted solely as a lender to assure the proper use of United States Government funds, and that any decision by A.I.D. to exercise or refrain from exercising these approval rights shall be made as a lender in the course of financing this project and shall not be construed as making A.I.D. a party to the Agreement. The parties hereto understand and agree that A.I.D. may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the project of which this Agreement is part, with the parties jointly or separately, without thereby incurring any responsibility or liability to the parties jointly or to any of them.

- (b) Any approval or failure to disapprove by A.I.D. of any plan, report, specification, contract, bid document, drawing or other documents shall not bar the Government or A.I.D. from asserting any right, or relieve the Consulting Engineers of any liability which the Consulting Engineers might otherwise have to the Government or A.I.D., because of such plan, specification, contract, bid document, drawing or other document, or any performance or failure of performance thereunder, or any A.I.D. Contractor's or Supplier's Certificate.

10.10 CHANGE ORDERS

The Government may issue or agree to Change Orders which provide for changes within the scope or duration of the Services to be performed under this Agreement with commensurate adjustments in the cost and fees of the Services, provided however, that any change not approved by A.I.D. as required in this Agreement shall not be financed by A.I.D.

10.11 REPORT OF DELAYS

The Consulting Engineers shall promptly report to the Government the occurrence of any event or condition which might delay or prevent completion in accordance with approved schedules of the Services and shall indicate steps being taken to meet the situation.

10.12 LABOR STANDARDS

The working hours of the Consulting Engineers shall be as required for the satisfactory performance of the Services but shall not be less than 37 1/2 hours per week. Safety, sanitation and other appropriate labor Standards prescribed by local laws, regulations, customs, and practices, shall apply to the Consulting Engineers personnel while in Haiti.

10.13 WORKMEN'S COMPENSATION

The Consulting Engineers shall provide and thereafter maintain Workmen's Compensation Insurance as required by and in accordance with the Defense Base Act with respect to and prior to departure for overseas employment of all employees engaged in the performance of the services under this Agreement.

In the event the Consulting Engineers engage Haitian personnel, the Consulting Engineers shall provide and maintain Workmen's Compensation Insurance with respect to these Haitian personnel in accordance with the Law of the Government of the Republic of Haiti.

10.14 INSURANCE

The Consulting Engineers shall maintain the following insurance with a reputable insurance company to cover work under this Agreement with limits of liability to be not less than shown below-

Direct Public Liability (including Contractual)
U.S. \$100.000/U.S. \$500.000

Direct Property Damage (including Contractual)
U.S. \$100.000/U.S. 500.000

Automobile Public Liability
U.S. \$100.000/U.S. \$500.000

Automobile Property Damage
U.S. \$50.000

ARTICLE XI

11.01 AUTHORIZED REPRESENTATIVES

Any action required or permitted to be taken and any documents required or permitted to be executed under this Agreement may be taken or executed by the Minister of Public Works, Transportation and Communication or his nominee on behalf of the Government and by the authorized representative on behalf of the Consulting Engineers. The Consulting Engineers shall, within seven (7) days of the commencement of this Agreement, designate a representative or representatives for the purpose of this section and shall within such time duly notify such designation to the Minister of Public Works, Transportation and Communication.

11.02 MODIFICATIONS

Any modifications or amplification of this Agreement may be agreed to on behalf of the Government by written instrument authorized in each case by the Minister or his nominee. Any modification or amplification not approved in writing by A.I.D. shall not be financed by A.I.D.

11.03 NOTICES

Any notice given or request made by any of the parties herein shall be sufficient only if in writing. Such notice or request shall be deemed to be duly given or made when it shall have been delivered by hand, mail or cable to the party to which it is required to be given, or made at such party's address as the party shall have specified in writing to the party giving such notice or making such request. All communications and documents submitted to A.I.D. shall be in English or accompanied by an English translation.

For the Government of Haiti:

Minister of Public Works
Transportation and Communication
Palais des Ministères
Port-au-Prince, Haiti

For the Consulting Engineers:

Tippetts-Abbott-McCarthy-Stratton
345 Park Avenue
New York
State of New York 10022
United States of America

Alternative Address for Cables or Cablegrams:

Cables: TAMSENG NEW YORK
Telex : ITT/422188/RCA 233055

For the U.S. Government:

Director
U.S.A.I.D. Mission to Haiti
U.S. Embassy
Cité de l'Exposition
Port-au-Prince

Notices shall be effective when received and copies of all notices shall be sent to A.I.D. as appropriate.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in the presence of the subscribed witnesses.

TIPPETTS-ABBETT-McCARTHY-STRATTON

THE GOVERNMENT OF THE REPUBLIC OF HAITI

By *US*

By *[Signature]*

Name Usamah R. Abdus-Samad

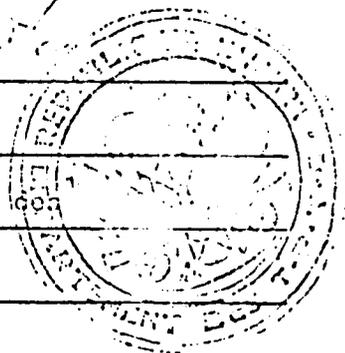
Name Fernand Laurin

Title Project Manager

Title Secrétaire d'Etat

Date March 18, 1977

Date March 18, 1977



WITNESSES:

WITNESSES:

1. *[Signature]*

1. *[Signature]*

2. _____

2. *[Signature]*

APPENDIX A
SCOPE OF WORK

I - DESCRIPTION OF THE PROGRAM

The project will assist the Government of Haiti in carrying out a four year Program to reconstruct approximately 940 kilometers of agricultural feeder roads.

a) Reconstruction

Approximately 940 kilometers of rural feeder roads will be reconstructed. Work will be accomplished by T.P.T.C. construction brigades (approximately 620 km) and private Haitian road contractors (320 km). Road links to be reconstructed will be selected from a candidate road list already established.

b) Equipment Leasing

The program will assist in the creation of an equipment leasing service for rental of equipment to private Haitian contractors. The service will be a public entity, but will be privately managed. Leasing rates will be set at a level sufficient to cover all costs of operation, including depreciation and increased capitalization, after the first two years of operations.

c) Labor Intensive Pilot Project

During the first year of the program a pilot project will be undertaken to explore various labor intensive methods of road maintenance/reconstruction. Approximately 200 kilometers of road will be involved.

d) Technical assistance

Technical assistance will be provided T.P.T.C. over the period of the loan to assist in carrying out a program to reorganize, strengthen T.P.T.C. force account and contract work, establish the Equipment Leasing Service and evaluate the results of the Labor Intensive Pilot Project.

II - CONSULTING TEAM

The project seeks to provide all-weather access to presently isolated Haitian farming communities and markets. In the process, major improvements in the T.P.T.C. and local private contractor capabilities are expected.

To assist T.P.T.C. in implementing this project, a team of experts will be provided to assist in the management, design, construction supervision and contracting aspects of the feeder road program. The Consulting team will be composed as follows:

a) Long Term

1. A Senior Transportation Engineer will be the team leader and advisor to the Ministry and its project Manager in the management, coordination and implementation of the AID financed program (48 months).
2. A transport Engineer will assist in training T.P.T.C. engineering staff on selected projects to be conducted in-house and in supervising and reviewing results obtained from outside consultants. He will assist in setting road design standards, in preparing simplified bidding systems for use by small local contractors, in establishing surveys, traffic counting, and soil sampling requirements for projects of different complexity and magnitude and in developing procedures for qualifying and selecting consultants. He will also assist in establishing a construction operations section in T.P.T.C. and in the training of its staff. (30 months).
3. A transport Economist will assist T.P.T.C. in establishing uniform guidelines and procedures for feasibility studies, in preparing terms of reference, consultant pre-qualification and selection procedures, and in training T.P.T.C. staff on selected in-house projects, including updating feasibility calculations when refined cost estimates are completed. He will also supervise a Labor Intensive Pilot Project (19 months).

4. An Administrative Advisor will assist T.P.T.C. in establishing administrative and personnel procedures (20 months).
5. A Budget and Accounting Advisor will assist T.P.T.C. in setting up and maintaining cost data collection and reporting systems (20 months).
6. Two Field Engineers will assist in developing two T.P.T.C. Construction Brigades and their operational procedures. They will assist department engineers in preparing work program, training of personnel, and in managing and supervising the construction work performed by private contractors and the construction brigades (24 months each).
7. An Equipment Specialist will assist and train T.P.T.C. Construction Brigade personnel in development of equipment scheduling, operation and maintenance procedures. He will also advise the Equipment Leasing Service during its formative period (20 months).
8. Two Heavy Equipment Mechanics will assist and train T.P.T.C. Construction Brigade mechanics to maintain and repair their road equipment. They will also advise and assist the Equipment Leasing Service during its formative period (One for 24 months, the other for 12 months).
9. An Equipment Leasing Service Advisor will assist in developing and placing into operation the proposed Equipment Leasing Service (12 months). He will be assisted during the first year by an Accountant/Administration Specialist (7 months).

b) Short Term Assistance

1. A Cost Analysis Specialist will work on the Labor Intensive Pilot Project and the collection and evaluation of production and cost data which will result (9 months). He will be assisted by a Haitian Construction Engineer (9 months) and an Anthropologist/Sociologist (9 months).
2. Additional specialized short term assistance from the Consultant's home office staff and Partners

will be provided as found necessary.

III - IMPLEMENTATION OF PROGRAM

a) Organization

The technical assistance team assigned to the project will be selected and organized so that the individual capabilities and expertise of the team members are utilized in the most effective manner to implement the requirements of the project. The work effort will be coordinated taking into account the interdependencies between work elements and the need for mutual support in all phases of the project. All members of the team will provide training to local personnel in the form of instruction, formal and informal, and by example, through efficient accomplishment of the necessary tasks.

b) Project Tasks

Implementation of the program described in Section I will be accomplished by means of a series of specific tasks as identified hereinafter.

1. Assistance to T.P.T.C. Management. This will include assistance in planning and implementing the necessary reorganization in the basis structure of T.P.T.C., as well as to advise and assist T.P.T.C. Management relative to actions and procedures for insuring the timely implementation of all elements of this program.
2. Assistance in Planning and Design. This will include consultant pre-qualification and selection. Assistance will be given as to design standards and requirements, and relative to specifications, estimating and on-ground technical implementation procedures.
3. Assistance in Contract Management. This assistance will address both private construction and force account work. Help will be provided in the development of adequate bidding procedures, contractors pre-qualification, and scheduling.

4. Assistance in Economic Studies and Evaluation. This will include assistance in the development of uniform guide-lines for carrying out feasibility studies, and assistance in training T.P.T.C. staff on selected in-house projects.
5. Implementation of Labor Intensive Pilot project. This will include a comparison of different mixes of labor-equipment construction techniques and studies relative to the socio-cultural effects of introducing labor intensive projects on local vil-lages and communities.
6. Assistance with Construction Management. This will include assistance in developing two con-struction brigades for force account work. This will also include the development of proper pro-cedures for controlling private contractors and force account construction.
7. Assistance in developing an Equipment Leasing Service. This will include setting up the manage-ment procedures for the timely leasing, proper utilization and cost control of construction equip-ment.
8. Assistance in Cost Analysis and Budgeting. This will include the development of cost analysis procedures and guide-lines for the control of cost over-runs so that budgeting and the balance between construction and maintenance costs are kept responsive to the needs. Help will be given in devising realistic budgets that are closely tied to work progress, and that take into account funding sources and reliability.
9. Accounting System. Assistance will be provided relative to fiscal management and cost accounting procedures for road reconstruction equipment pro-curement and replacement, and for the various elements of the organization.
10. Assistance in Equipment Procurement and Maintenance. This will include developing a program and procedures for the procurement of equipment. Policies relative to the maintenance of equipment assigned to the two construction

brigades and T.P.T.C. shops will be devised and assistance in the setting up of such procedures will be given, including preventive maintenance.

11. Management Information System. A Management Information System will be established to provide information to allow management to monitor and control all aspects of the organization including construction management, equipment leasing and general costs.
12. The Consulting Team will present a detailed work program and schedule by the end of the fourth month after mobilization. Together with the work program will be submitted the Consultants recommendations as to the numbers and types of counterpart personnel that should be assigned to carry out the program and to receive training.

All tasks will be carried out with a dual purpose, one to implement the required tasks in a timely manner and within budgeted costs, and two to maximize the training of local personnel.

APPENDIX B

COST-PLUS-FIXED-FEE BREAKDOWN AND ANALYSIS OF ESTIMATED COSTS

TIPPETS-ABBETT-McCARTHY-STRATTON

1 U.S. Dollar = 5 Gourdes

	<u>Man Months</u>	<u>Cost In Gourdes</u>	<u>Cost In U.S. Dollar</u>	<u>Total Cost In U.S. Dollar</u>
1. Overseas salaries at base pay <u>1/</u>	255	-	640,500	640,500
2. Overseas differential, if any	-	-	-	-
3. Overhead-overseas (field staff) Percentage Rate (80%)	-	-	512,400	512,400
4. Home Office salaries (back-up & TDY services) <u>2/</u>	32.5	-	92,500	92,500
5. Overhead home office (does not apply to partner's salaries) Percentage rate (125%)	-	-	90,625	90,625
6. Fixed-Fee	-	-	240,000	240,000
7. SUBTOTAL	-	-	1,576,025	1,576,025
8. Subcontract costs, if any (Submit details on separate schedule). <u>7/</u> (Cost per man-month \$5,304)	<u>18</u> 305.5	222,300	-	44,460
9. Cost of Consultants, if any (Submit details on separate schedule).				
10. Travel and per diem-personnel: <u>3/</u>				
(a) International Travel		-	44,325	44,325
(1) Per diem international		-	3,060	3,060
(b) Domestic Travel		-	12,750	12,750
(1) Per diem-domestic		-	1,710	1,710
(c) Local Travel-vehicle operation		209,250	-	41,850
(1) Per diem-local		1,272,500	-	254,500
11. Transportation-personnel baggage <u>4/</u>		-	8,840	8,840
12. Transportation-household effects <u>4/</u>		-	36,000	36,000
13. Transportation-equipment		-	-	-
14. Equipment (detail) <u>5/</u>		75,000	82,000	97,000
15. Other direct costs: <u>6/</u>				
(a) Insurance (Defense Base Act)		-	121,905	121,905
(b) Out-of-pocket expenses		36,000	16,000	23,200
(c) Miscellaneous (Itemize)		1,247,350	10,000	259,470
16. SUBTOTAL (8 through 15)		3,062,400	336,590	949,070
17. <u>TOTAL COSTS (1 through 15)</u>		3,062,400	1,912,615	2,525,095

- 1/ Details shown in Table 1.
2/ Details shown in Table 2.
3/ Details shown in Table 3.
4/ Details shown in Table 4.
5/ Details shown in Table 5.
6/ Details shown in Table 6.
7/ Details shown in Table 7.

TABLE 1 - BASE SALARIES

	<u>Man-Month</u>	<u>Monthly Base*</u> Salary in	Total Cost in
	<u>Estimate</u>	<u>US Dollars</u>	<u>in US Dollars</u>
Senior Transport Engineer	48	3.100	148.800
Transport Engineer	30	2.800	84.000
Transport Economist	18	2.800	50.400
Budget Accounting Advisor	18	2.600	46.800
Administrative Advisor	18	2.600	46.800
Field Engineer	24	2.200	52.800
Field Engineer	24	2.200	52.800
Equipment Specialist	20	2.300	46.000
Heavy Equipment Mechanic	24	1.900	45.600
Heavy Equipment Mechanic	12	1.900	22.800
Equipment Leasing Supervisor	12	2.300	27.600
Administrative/Accounting Specialist	<u>7</u>	2.300	<u>16.100</u>
TOTAL	255		640.500

* Average for the project

TABLE 2 - BASE SALARIES

<u>Position</u>	<u>Man-Month Estimate</u>		<u>Monthly base* Salary in U.S. Dollars</u>	<u>Total Cost in U.S. Dollars</u>
	<u>Home Office</u>	<u>Field Office</u>		
Partners	<u>15 days</u>	<u>35 days</u>	400 per day	<u>20.000</u>
SUB-TOTAL	15 days	35 days	-	20.000
Project Coordinator/Transport Specialist	2	4	2.500	15.000
Sociologist/Anthropologist	1	8	2.300	20.700
Agro-Economist	-	2	2.300	4.600
Agronomist	-	3	2.300	6.900
Computer Programmer	1	1	2.300	4.600
Soils Engineer	-	2	2.500	5.000
Back-Up Home Office Specialists	1	-	2.500	2.500
Transport Economist	-	1	2.800	2.800
Administrative Advisor	-	2	2.600	5.200
Budget Accounting Advisor	<u>-</u>	<u>2</u>	2.600	<u>5.200</u>
SUB-TOTAL	5	25		92.500
TOTAL = 20.000 + 72.500 = \$ US 92.500				

* Average for the project

TABLE 3 - TRAVEL AND PER DIEM

<u>Description</u>	<u>Round Trips</u>	<u>Personnel</u>	<u>Cost in Gourdes</u>	<u>Cost in US Dollars</u>	<u>Total Cost in US Dollars</u>
1. International Travel					
Field Staff	25	12	-	10.950	10.950
Dependents	50	24	-	21.900	21.900
Home Office Personnel	<u>27</u>	8	-	<u>11.475</u>	<u>11.475</u>
TOTAL	102			44.325	44.325
2. International Per Diem					
Field Staff	25	12	-	750	750
Dependents	50	24	-	1.500	1.500
Home Office Personnel	<u>27</u>	8	-	<u>810</u>	<u>810</u>
TOTAL	102			3.060	3.060
3. Domestic Travel					
Field Staff	14	14	-	3.500	3.500
Dependents	28	28	-	7.000	7.000
Home Office Personnel	<u>15</u>	3	-	<u>2.250</u>	<u>2.250</u>
TOTAL	57			12.750	12.750
4. Domestic Per Diem					
Field Staff	14	14	-	420	420
Dependents	28	28	-	840	840
Home Office Personnel	<u>15</u>	3	-	<u>450</u>	<u>450</u>
TOTAL	57			1.710	1.710
5. Travel with Borrower Country (Vehicle Operation)					
TOTAL			209.250	-	41.850
6. Per Diem Within Borrower Country					
Living Allowances, field staff in Port-au-Prince			870.000		
Per Diem, field staff in the field			100.000		
Per Diem, home office staff on TDY			202.500		
Educational Allowance			<u>100.000</u>		
TOTAL			1.272.500	-	254.500

TABLE 4 - TRANSPORTATION

	<u>Cost in Gourdes</u>	<u>Cost in US Dollars</u>	<u>Total Cost in US Dollars</u>
1. Transportation of personal baggage			
Excess baggage		3.240	3.240
Air Freight		<u>5.600</u>	<u>5.600</u>
TOTAL		8.840	8.840
2. Transportation and/or storage of household effects		36.000	36.000

TABLE 5 - COST OF EQUIPMENT

<u>Description</u>	<u>Unit Price</u>	<u>Quantity</u>	<u>Cost in Gourdes</u>	<u>Cost in US Dollars</u>	<u>Total Cost in US Dollars</u>
Automobiles*	\$US 4.500	8	-	36.000	36.000
4-wheel Drive Vehicles*	\$US 7.000	4	-	28.000	28.000
Office Furniture and Equipment			<u>75.000</u>	<u>18.000**</u>	<u>33.000</u>
TOTAL			75.000	82.000	97.000

* C.I.F. Cost

** C.I.F. Cost and spare parts

TABLE 6 - INSURANCE; WORKMEN'S COMPENSATION
(Defense Base Act)

	<u>Total Base Salaries in US Dollars</u>	<u>Cost of Insurance Premiums in US Dollars</u>
- Field Staff	640.500	96.075
- Temporary Duty and Home-Office Back up Staff (Excluding Partners)	72.500	10.875
- Local Support Staff	<u>99.700</u>	<u>14.955</u>
	812.700	121.905



TABLE 7 - OTHER DIRECT COSTS

<u>Description</u>	<u>Cost in Gourdes</u>	<u>Cost in US Dollars</u>	<u>Total Cost in US Dollars</u>
1. Out-of-Pocket Expense			
- Cables, Telephone, Postage	36.000	7.200	14.400
- Health Examinations, inoculations, visas and passports (field personnel)	-	8.400	8.400
- Inoculations, visas and passports (home office personnel)	-	400	400
TOTAL	36.000	16.000	23.200
2. Miscellaneous			
- Additional local personnel* (See Table 8)	747.750	-	149.550
- Office rental and utilities	240.000	-	48.000
- Office supplies and operating cost	192.000	-	38.400
- Printing and reproduction	57.600	7.000	18.520
- Computer	10.000	3.000	5.000
TOTAL	1.247.350	10.000	259.470

* Based on average salaries during course of project

TABLE 8 - SUBCONTRACT COST

<u>Position</u>	<u>Man-Month Estimate</u>	<u>Monthly Base Salary (Gourdes)</u>	<u>Total Cost (Gourdes)</u>
Cost Analysis Specialist	9	6.000	54.000
Haitian Construction Engineer	9	7.000	<u>63.000</u>
TOTAL			117.000
	Overhead: 65.2%		<u>76.284</u>
			193.284
	Fees: 15%		<u>29.016</u>
		TOTAL	222.300

TABLE 9 - LOCAL ADMINISTRATIVE AND SUPPORT PERSONNEL

<u>Position</u>	<u>Consultant Hire</u>	<u>Government Hire</u>	<u>Man-Month</u>
Administrator/Accountant	X		48
Bilingual Secretary	X		48
Bilingual Bookkeeper	X		46
Secretary/Typist		X	30
Draftman		X	48
Driver		X	30
Messenger		X	48
Night Guard		X	48

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Position	Duration (months)			Months			
	Field	Home Office	Total	0	12	24	36
Senior Transport Engineer	48		48				
Transport Engineer	30		30				
Transport Economist	18		18				
Administrative Advisor	18		18				
Budget Accounting Advisor	18		18				
Field Engineer	24		24				
Field Engineer	24		24				
Equipment Specialist	20		20				
Heavy Equipment Mechanic	24		24				
Heavy Equipment Mechanic	12		12				
Equipment Leasing Supervisor	12		12				
Administrative/Accounting Specialist	7		7				
SUB-TOTAL	255		255				
Post Analysis Specialist	9		9				
Maintenance Construction Engineer	9		9				
SUB-TOTAL	18		18				
Partners	1.75	0.75	2.5				
SUB-TOTAL	1.75	0.75	2.5				
Coordinator/Transport Specialist	4	2	6				
Sociologist/Anthropologist	8	1	9				
Agro-Economist	2	-	2				
Agronomist	3	-	3				
Computer Programmer	1	1	2				
Boils Engineer	2	-	2				
Back-up Home Office Specialists	0	1	1				
Transport Economist	1	-	1				
Administrative Advisor	2	-	2				
Budget Accounting Advisor	2	-	2				
SUB-TOTAL	25	5	30				
TOTAL	299.75	5.75	305.5				

Legend:  Field
 Home Office

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SUB-CONTRACT AGREEMENT
between
TIPPETTS-ABBETT-McCARTHY-STRATTON
and
HAITI-CONSULT

This Sub-Contract Agreement, made in duplicate at Port-au-Prince this tenth day of february one thousand and nine hundred and seventy seven, between Tippetts-Abbott-McCarthy-Stratton, on the one part (hereinafter referred to as TAMS), and Haiti-Consult on the other part (hereinafter referred to as H.C.):

Whereas TAMS is negotiating an agreement funded by the Agency for International Development (hereinafter referred to as Agreement) on a technical assistance project relative to a feeder road program throughout the territory of the Republic of Haiti;

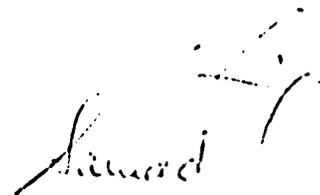
Whereas the TAMS intends to utilize the services of H.C. relative to the above said project; and

Whereas H.C. has agreed to furnish technical services subject to the terms and conditions hereinafter set forth;

Now THESE PRESENT WITNESS and it is hereby agreed and declared by and between the Parties hereto as follows:

Article 1. TAMS hereby appoints H.C. as a Sub-Contractor and H.C. heroby accepts the appointment on the terms and conditions hereinafter set forth.

Article 2. This Sub-Contract Agreement will only become valid when approved in part and in whole by the Government of the Republic of Haiti and the Agency for International Development (hereinafter referred as to AID).



Article 3. H.C. accepts the terms and conditions of the Agreement between the First Party and the Government of Haiti, in part and in whole when approved. TAMS shall furnish H.C. a copy of the pertinent sections of the Agreement. A special note shall be made of the fact that the Government is owner of all documents under this Sub-Contract and that the Government and AID reserve the right to audit the books and records pertaining to the services defined in Article 4.

Article 4. H.C. undertakes to provide TAMS the following professionals:

- Cost Analysis Specialist, and
- Haitian Construction Engineer,

whose services are required in carrying out the technical assistance relative to the Agreement wherein their tasks are defined.

Article 5. The professional services, as defined in Article 4, shall be furnished by H.C. for the duration and at the times prescribed in the Agreement, and shall conform to the daily working schedule established in said Agreement. TAMS shall notify H.C. not less than sixty (60) days prior to the date of initiation of the professional services, subject of Article 4.

Article 6. TAMS undertakes to provide office space in Port-au-Prince and field housing outside Port-au-Prince, as needed, for the Cost Analysis Specialist and the Haitian Construction Engineer, respectively, when these facilities are made available to TAMS by the Government as prescribed in the Agreement. TAMS also undertakes to provide transportation and the applicable per diem in Haiti to the aforesaid professionals. Payment for the per diem and transportation shall be made in Haitian Gourdes directly to the aforesaid professionals.

Article 7. The professionals to be furnished by H.C. to TAMS and their salary rates are subject to prior approval by the Government and AID.

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Article 8. H.C. undertakes to comply with all the labor laws, standards and other requirements as presently in effect in the Republic of Haiti. In addition, H.C. will be responsible to TAMS for the competence, character and professional conduct of the personnel it is furnishing under the terms of this Sub-Contract Agreement.

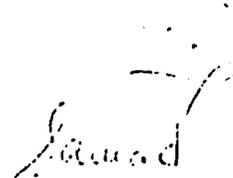
Article 9. The overhead percent rate of H.C. is fixed at sixty five and two tenths (65.2%) percent of base salaries. The fees of H.C. are fixed at fifteen (15%) percent of salaries plus overhead.

Article 10. H.C. undertakes to submit monthly vouchers, in English and French, to TAMS, and TAMS undertakes to make monthly payments in Haitian Gourdes to H.C. for salaries, fixed overhead and fixed fees associated with the professional services, subject of Article 4, upon receipt and payment of the vouchers as approved by the Government and AID.

Article 11. Any action required or permitted to be taken and any documents required or permitted to be executed under this Sub-Contract Agreement may be taken or executed on behalf of TAMS by a duly authorized representative of TAMS. H.C. shall designate a duly authorized representative for the purpose of this Article and shall so notify TAMS.

Article 12. Any modifications or amplifications of this Sub-Contract Agreement may be mutually agreed upon by the two Parties by the duly authorized representatives, subject to approval by the Government and AID.

Article 13. Any notice given or request made, either in English or in French, by any of the Parties herein shall be sufficient only if in writing. Such notice or request shall be deemed to be duly given

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or made when it shall have been delivered by hand, mail or cable to the Party to which it is required to be given, or made at such Party's address as the Party shall have specified in writing to the Party giving such notice or making such request.

IN WITNESS WHEREOF, the Parties hereto have executed this Sub-Contract Agreement.

For TIPPEITS-ABBETT-McCARTHY-STRATTON

345 Park Avenue
New York, N.Y. 10022
U.S.A.

By 

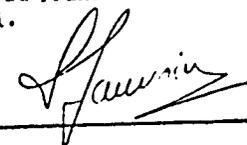
Name Robert F. Heins

Title PARTNER

Date Feb. 10, 1977

For HAITI-CONSULT

128, Avenue John Brown
Port-au-Prince
Haiti.

By 

Name Felix Larour

Title Directeur General

Date 10 Febrer 1977

