



**INTERIM REPORT**  
on  
**O&M IN PORT SAID**  
(February 1992)

**PREPARED FOR H.E. THE GOVERNOR OF PORT SAID**

(TRANSLATION)  
INTERIM REPORT ON O&M  
IN PORT SAID GOVERNORATE  
PREPARED FOR H.E. THE GOVERNOR OF PORT SAID

**I. PURPOSE**

1. The intensive technical assistance under the LD II Project is planned to be terminated by June 1992. The technical assistance contractor (TAC) finds it essential to report to H.E. The Governor of Port Said on the current status, achievements and problems of O&M activities in order to give a clear picture of the Port Said fleet and the need to keep the fleet in good order.
2. Main topics of this report are:
  - 2.1 Garages and Workshops construction and renovation programs.
  - 2.2 Development of the organization and staffing of a complete and effective O&M hierarchy in the Governorate.
  - 2.3 Garages and workshop management and TAC support:
    - o preventive maintenance (P.M.) planning and programs.
    - o repair planning and programs.
    - o shop equipment and tools.
    - o annual financial needs to keep an 85% fleet availability.
    - o spare parts warehousing systems.
  - 2.4 Income generation and privatization and pilot projects in other governorates.
  - 2.5 Conclusions and recommendations.

**II. GARAGE AND WORKSHOPS CONSTRUCTION AND RENOVATION PROGRAMS**

1. Although Port Said only joined the Local Development Project in 1987 the Governorate and Districts readily responded to the Technical Assistance Contractors (TAC), O&M proposal to start the construction of complete net of O&M facilities at district and governorate levels. The construction and renovation program will be completed by June/July, 1992. Table 1 shows the status of the construction and renovation program in Port Said.

**III. ORGANIZATION AND STAFFING OF THE O&M HIERARCHY**

1. In the O&M needs seminar held late in 1990, TAC proposed the formation of a complete O&M hierarchy in the Governorate. Organization charts were presented for an O&M Central Department, the Central Workshop, and Districts Garages.
2. In cooperation with governorate officials, TAC maintenance specialist assigned for Port Said, detailed organizations and jobs description. Appendix A shows the proposed organization charts for the O&M General Department and the Central Workshop. Unfortunately the C.O.A.O. has not yet certified these organizations, and accordingly, new vacancies are not created and staffing of O&M facilities is not completed.
3. In the above mentioned seminar, TAC presented a communication chart for the O&M hierarchy and the proposed reporting forms and system TAC sees as essential to implement such system in order that O&M needs, plans and controls may be effective. Governorate H.Q. would have access to accurate information on the actual fleet status and O&M needs. Appendix "B" shows the proposed communication chart and the recommended O&M forms.

Table 1  
CURRENT GARAGES & WORKSHOPS  
CONSTRUCTION & RENOVATION PROGRAM  
IN PORT SAID GOVERNORATE

Phase I - Port Said

ZONAL/DISTRICT GARAGE	ZONE	CONTRACTED COMPLETION DATE	UTILIZATION DATE	
			ANTICIPATED	ACTUAL
Central Garage and Workshop	Governorate	January 1990	-	March 1990
Central Workshop and Garage (Scrap stores & Partitions))	Governorate	March 1991	-	March 1991
El- Arab Garage	El Arab District	June 1992	July 1992	
El-Manakh Garage	El-Manakh District	January 1992	March 1992	
El-Dawahy Garage	Dawahy District	February 1991	January 1992	- Front yard & Workshop utilized - Service Station completed but not utilized
Upgrading of Port Fouad Garage	Port Fouad District		Completion of Pavement and shed (April 1992)	Utilized
East District Garage	East District		Additional Carpentry (April 1992)	May 1990
Roads Directorate		May 1991	-	Utilized Dec. 1991

CGWCRP/yk

PHASE II

Construction of fuel and service station in Port Fouad District estimate amount L.E 250,000

1  
2

TABLE 2  
 PORT SAID GOVERNORATE  
 TOTAL LD II O&M ALLOCATION  
 FY 1987-1991

F.Y.	O&M ALLOCATION IN L.E. 1000						
	(1)	(2)	(3)	(4)	(5)	(6)	Total
1987	-	213	-	478	-	108	799
1988	-	-	-	-	-	-	-
1989	-	82	-	1668	95	105	1950
1990	-	-	-	833	220	-	1053
1991	-	38	75	387	346	188	1034
TOTAL	-	333	75	3366	661	401	4836

PSG/yk

NOTES

- (1) Imported spare parts procurement.
- (2) Locally produced spare parts procurement.
- (3) Repairs in private sector firms.
- (4) Garages and workshops construction and renovation.
- (5) Vehicles and Equipment purchase.
- (6) Shop equipment, tools and furniture.

\* Governorate received only 40% of the total grant in 1991.

#### IV. MAINTENANCE MANAGEMENT

##### 1. Preventive Maintenance (P.M.)

Performing P.M. for vehicles and equipment has proven very effective, and has had excellent impact on improving fleet availability both in the Central Garage and in El Shark District Garage where regular P.M. is performed. The number of simple and current repairs decreased substantially. P.M. plans will be implemented regularly in all other districts, once their service stations are completed, equipped and staffed.

##### 2. Repair Programs

- 2.1 Being short in qualified engineers, skilled labor and spare parts, workshops are not capable of conducting all of the needed repairs. Approximately 82 vehicles and equipment need major repairs and complete overhauling.
- 2.2 Repair plans are not implemented successfully because of the above mentioned reasons; and because the budget allocation is also insufficient for procurement of spare parts, and for performing overhauls in specialized dealers workshops.
- 2.3 The renovated and upgraded Central Workshop has recently started to assist district in performing medium and major repairs. However, as there is a shortage of spare parts repair plans are not being implemented successfully.

##### 3. Shop Equipment and Tools

- 3.1 More than L.E. 400,000 have been allocated for procurement of shop equipment and tools from the USAID Grants. Table 2 shows the total O&M budget allocation that was expended between F.Y.s 1987-1991.
- 3.2 More budget allocations are needed for the Central Workshop and the district garages for the procurement of needed shop equipment and tools. A sum of L.E. 600,000 is urgently needed.

##### 4. Spare Parts Warehousing System

- 4.1 A "Cardex" controlled warehousing system has been introduced in the Central Workshop. The warehouse is kept in good order. It is planned that in all district garages, Cardex spare parts warehousing system will be introduced.
- 4.2 An effective central system for insuring that an adequate inventory of is maintained has not been developed yet. An adequate continuous flow of spare parts is not insured. Annual spare parts needs have to be defined and an adequate budget should be allocated.
- 4.3 Lists of needed spare parts have been developed and prepared by the Central Workshop Manager in cooperation with the TAC maintenance expert resident in Port Said and this has been submitted to the governorate.

##### 5. Actual Fleet Status

- 5.1 Table 3 shows the total actual fleet status, including the road directorate equipment, and the various types of pickups and transport vehicles. On-the-road availability is 73%. Although this availability is still considered low, it is higher than most other Urban Governorates. Approximately 82 pieces need either complete overhauling or major repairs. These would be performed either in the Central Workshop, or in specialized dealer workshops.

- 5.2 Implementing P.M. programs in new facilities improved the fleet availability (e.g. availability in East District is 80%. The number of simple and level 1 repairs and decreased and this gave district workshops the chance to attend to other needed repairs. Table 3 shows that while 82 accumulated major repairs and complete overhauls are required, only 14 level 1 repairs need to be done at this time.
- 5.3 The Pack of spare parts, skilled labor and experienced garage and workshop managers, and insufficient budgets for repairs are the main reasons for the significant number of accumulated defects. As an example, while availability in El Shark District 80 % , it is no more than 63 % in El Dawahi District despite the TAC maintenance expert's day-to-day advice and consultation to El Dawahi District.
- 5.4 To upgrade the Port Said fleet, a special repair program should be developed and sufficient budget allocated. This program could be implemented in 2-3 years. Total cost estimate of this program is approximately L.E. 1.8 millions to return L.E. 17 millions worth of vehicles and equipment to the road.

6. Annual Financial Needs

- 6.1 Port Said Governorate owns a big fleet of heavy vehicles and equipment, plus a significant a big number of pickups and transport vehicles. This fleet has a value of approximately L.E. millions according to current prices. Prices have increased dramatically in the last five years. As an example, a heavy side loading refuse truck (Truxemore) now costs L.E. 700,000 (including customs direct from local dealers), where as it cost approximately L.E. 70,000 five years ago (not including customs as it was imported directly by the GOE).
- 6.2 To keep this fleet at a reasonable level of 85% on-the-road availability, 5% of the total current fleet value has to be spent annually on the procurement of spare parts, and on performing complete overhauls of annual new defects. This amounts to about L.E. 3 millions annually.
- 6.3 Accumulated defects will need extra allocations to bring defective pieces back on the road again. An approximate estimate for overhauling accumulated defects in L.E. 1.8 millions. This overhauling program could be implemented in 2-3 years.
- 6.4 Port Said fleet needs to be reinforced by increasing the number of garbage collection vehicles of different capacities and engineer equipment. Port Said is increasing in area and in population. It is planned to from a fifth district (El Zohour) and this will need more S.W. vehicles and equipment, ref. proposed TAC S.W. Needs Assessment Report submitted to the Governorate in.
- 6.5 For the next three years (92-94) the following annual budget should be allocated:
 

o Procurement of spare parts (local & imported)	L.E. 1,600,000
o Purchase of P.M. and repair materials (lubricantS, paints, steel sections, leather, metal sheets,etc)	L.E 300,000
o Overhauling of newly defective vehicles and equipment	L.E. 1,100,000
o Overhauling of one third of the accumulated defective vehicles and equipment	L.E 600,000
Grand Total Annual Budget	L.E. 3,600,000
- 6.6 Financing the above maintenance programs will need a combination of all available resources to cover all expenditures.

TABLE 3  
 INVENTORY & STATUS OF SFLEET  
 PORT SAID GOVERNORATE  
 (AS OF FEBRUARY 1992)

VEHICLE \EQUIPMENT NAME			NEED REPAIR			AVAIL %
			LEVEL 1	LEVEL 2	LEVEL 3	
Garbage Collection Truck	19	14	-	3	1	74
Elgin Sweeper	2	2	-	-	-	100
Dump Truck	82	52	2	14	14	63
Water Tank and Spray	14	7	-	6	1	50
Sewage Truck	26	20	1	4	1	77
Tractor	15	10	1	2	2	67
Refuse Cart	5	3	-	1	1	60
Fork lift	1	1	-	-	-	100
Mobile Crane	2	2	-	-	-	100
Grader	1	-	-	-	-	zero
Bulldozer	7	4	1	1	1	57
Loader	15	10	1	3	1	67
Dumper	1	-	-	1	-	zero
Tractor Dozer	1	1	-	-	-	100
Asphalt Mobile Unit	3	2	-	1	-	67
Other vehicles (pick-ups & passenger)	153	122	8	11	12	80
Rollers	10	260	-	-	-	100
Total	357	260	14	47	35	73%

SPSG/yk

Available resources are:

- o BAB II and BAB III budgets.
- o cleaning treasuries.
- o local and community development treasuries;
- o USAID block grand.
- o LD II Maintenance allocations

In all cases, districts should participate in financing maintenance needs as implementing maintenance program is for the benefit of districts.

## V. INCOME GENERATION

1. On presenting the F.Y. 1990-1991 to the Popular Council, H.E. The Prime Minister stated that he knows that the BAB II budget allocations are not enough to cover all needs and different GOE units have to find ways to finance their needs.
2. In Alexandria, El Amreya District Chief took the initiative and developed an income generation pilot project to provide maintenance services to governmental agencies and to public and private sectors against payments. By law regulations have been issued and the pilot project is progressing well. The garage management is using the excess capabilities of the service station and the workshop to provide services after the daily official work hours.
3. On the road availability of the district fleet is kept high (80-83%) and the provision of services against payments did not hamper maintenance of the district fleet. The pilot project is successfully managed. The income generated is mostly spent on maintaining the workshop equipment, purchase of new equipment and spare parts, and on paying reasonable incentives to the garage staff. Table 4 shows the income generated since the start of the project in January 1990 upto end of September 1991. The account, the total income, the garage expenditures and the net profit (while is kept as an asset in special bank account) is also shown.
4. El Amreya pilot project could be repeated in district garages in Port Said. El Shark and Port Fouad Districts. This would be able to start once the by law regulations are issued. Other ideas could be introduce in other facilities.
5. In TACs letter dated September 5, 1991 submitted to the Governorate, some ideas were presented. TAC hopes that these ideas may help in implementing several income generation projects.

## VI. TAC SUPPORT TO PORT SAID

The TAC O&M Team provided direct intensive support to O&M activities in Port Said in all areas. Clear cooperation with concerned officials at the governorate level and districts was fruitful. TA include:

### 1. Garages and Workshops Construction Program

The O&M took a leading role in planning this programs preparation of layouts, reviewing designs and monitoring of the Construction both technically and financially.

### 2. Organization and Staffing

The O&M Team developed proposed organization charts for different O&M facilities and for the Central O&M Department at the governorate level. Responsibilities for each facility were defined, and an effective communication system and forms were developed. All of these proposals were accepted by governorate and districts officials and are actually adopted. Proposals for staffing and jobs descriptions have been submitted to different government departments.

TABLE 4  
 AMREY A GRAGE PILOT PROJECT  
 INCOME GENERATED BALANCE

P E R I O D	TOTAL INCOME IN L.E.	GARAGE EXPENSES		INCENTIVE PAYMENTS		NET PROFIT IN L.E.
		in L.E.	% of Total Income	in L.E.	% of Total Income	
April 1, 90 - June 30, 90	5,445.00	89.75	1.65	862.00	15.83	4,493.25
July 1, 90 - Sep. 30, 90	10,087.75	7,496.00	74.31	1,422.50	14.10	1,169.25
Oct. 31, 90 - Dec. 31, 90	14,027.00	7,943.00	56.63	1,900.95	13.55	4,183.05
Jan. 1, 90 - March 31, 91	19,152.97	6,997.03	36.53	5,099.55	26.63	7,056.39
April 1, 91 - June 30, 91	24,233.97	19,199.10	79.23	5,279.10	21.78	-(244.23)
July 1, 91 - Sept. 30, 91	27,238.50	5,458.60	20.00	4,724.15	17.34	7,055.75
<b>TOTAL</b>	<b>100,185.19</b>	<b>47,183.48</b>	<b>47.01</b>	<b>19,288.25</b>	<b>33,713.46</b>	<b>33,713.46</b>

AGPP/yk

NB Total net income means the total income minus cost of materials used in repairs.

### 3. Direct Management Support

A senior qualified maintenance expert provided direct support to garage managers in all districts and to both the Central garage and the central Workshops. He was assigned to work with Port Said on 12/26/1989. Direct support included;

- o Implementing proposed organization in garages and workshops.
- o Developing managers skills and management system.
- o Develop and implement P.M. and repair programs and follow-up implementation.
- o Develop "Cardex" run spare parts warehouses in the Central Workshop and in new facilities.
- o Provide hands-on management and technical training in new (or upgraded) facilities.
- o Assist garages managers in preparing annual O&M budgets and developing economic analysis of the O&M activities in new facilities.
- o Assist districts in developing income generation projects.

### 4. Procurement of New Equipment and Spare Parts

The O&M Team assisted the Central Workshop and districts in preparing and reviewing specifications for the purchase of new vehicles and equipment. The O&M Team also assisted in preparing spare parts lists, parts descriptions and number of the needed parts.

### 5. Training

The TAC placed great emphasis on training both in Egypt and in the U.S.A. Training included seminars, courses, OJT and hands-on training. Table 5 shows the different courses that have been held and the number of attendees.

### 6. Conclusions and Recommendations

#### 1. Garage and Workshops Construction & Renovation Programs

The current program fulfills Port Said needs. Contractors should be urged to complete construction work. El Dawahi District should transfer all the fleet and staff to the new garage and fully run the facility.

#### 2. Organization and staffing of the O&M hierarchy

- 2.1 A Central O&M Department should be formed at the governorate level to plan, coordinate and control O&M activities in the whole governorate.
- 2.2 C.O.A.O. agreement for the complete O&M hierarchy is an essential issue. New vacancies should be created and staffing should be completed.

#### 3. Maintenance Management

- 3.1 Although on-the- road availability of the Port Said fleet is higher than most other Urban Governorate, the technical condition of the fleet still needs to be upgraded. The availability target should be 85% . P.M. and repair programs have to be implemented efficiently. An effective spare parts central system has to be built, and continuous supply of spare parts must be ensured.
- 3.2 O&M annual needs should be pre-planned annually. All financial resources should be gathered together in order to cover the Governorate grand annual O&M plan.
- 3.3 The Governorate should manage the procurement of new garbage collection vehicles of different size and several engineering equipment to reinforce the Governorate fleet,

TABLE 5  
 TRAINING EFFORT FOR  
 O&M IN PROR SAID GOVERNORATE  
 (AS OF DECEMBER 1991)

ITEM	COURSE TITLE	TYPE OF TRAINING	COURSE DURATION IN DAYS	NUMBER OF TAINEEES	NUMBER OF TRAINEE DAYS
1	Garages Operation	Off-shore in	15	2	30
2	Garage Management	USAID	15	2	30
3	P.M. Training for different types of Vehicle and Eng. Equipment	OJT in Garages	3	125	375
4	Kardex Warehouse System	OJT	10	2	20
5	Management Garages	Pimco Course	18	4	72
6	Procurement Management	Local Course	11	18	198
7	Vehicles & Equipment Oper.(new forms)	Local Course	6	7	42
8	Mech. Quality Control	PVTID	25	1	25
9	Maintenances of Vechiles electrical	PVTID	18	3	54
10	Maintenances Deisel Engines	PVTID	24	4	96
11	Vehicles Workshop Formen	PVTID	36	5	180
12	Maintenances of Petrol Engines	PVTID	24	3	72
13	Mainteans of Transmission	PVTID	36	2	72
14	Tool Room Operator	PVTID	18	3	54
15	Electrical & OXY Welding	PVTID	24	1	72
16	Car Sheet Metal Work	PVTID	36	1	36
17	Electrical Workshop Foremen	PVTID	36	2	36
18	Purchasing & Stores Keeper	PVTID	24		48
	Total			188	1512

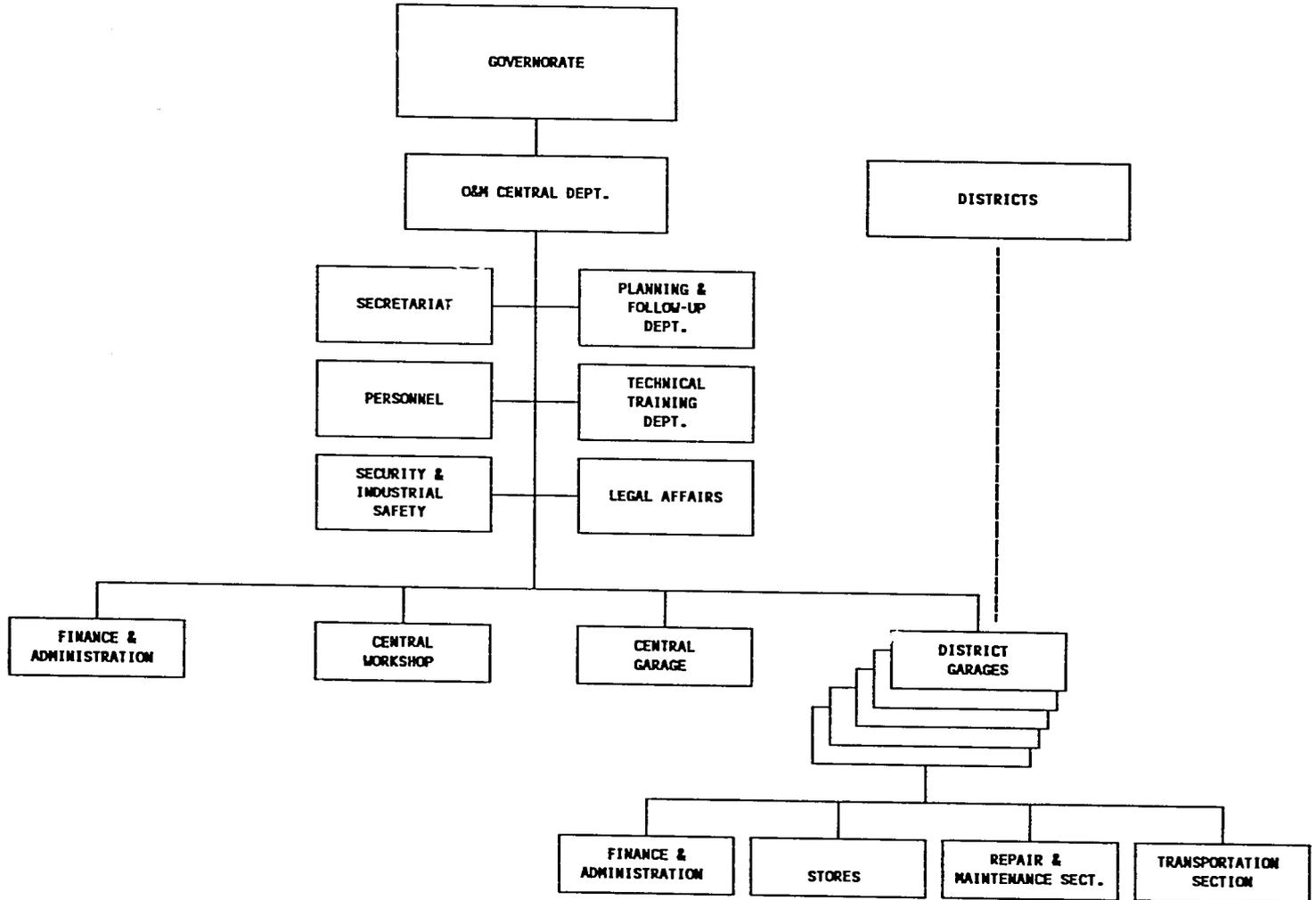
4. Income Generation

- 4.1 Income generation has become an essential issue. Other funding resources have to be created.
- 4.2 El Amreya Pilot Project in alexandria is good income generation example that could be repeated in all districts and Central garages. Both the Central garage, Port Fouad and El Shark Districts garage are ripe for implementing such a project. Necessary modifications and new ideas could be introduced.
- 4.3 The proposal for forming a Port Said Company for Transport and Maintenance including the Central Workshop, the Production in Workshop and the Internal Transport Company, that was mentioned in TAC's letter is worth considering.
- 4.4 In all case TAC experts are always ready to provide technical and managerial assistance wherever needed.

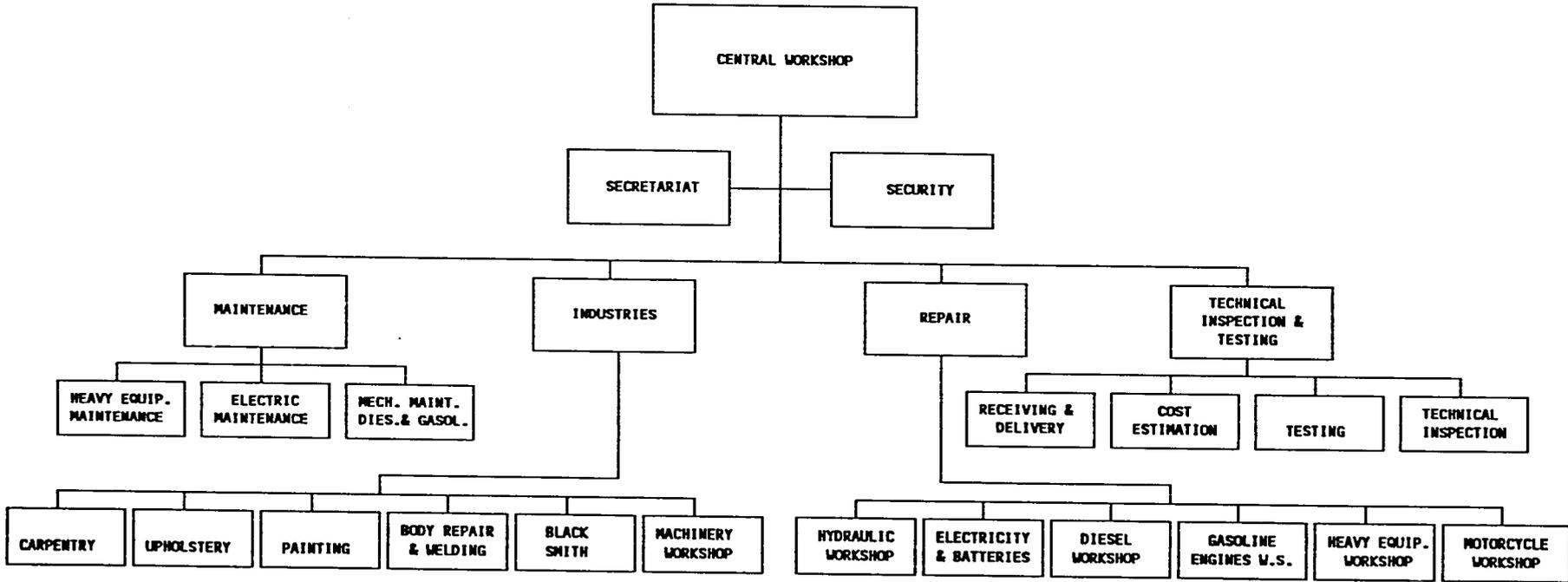
## APPENDIX A

### PROPOSED ORGANIZATION CHART FOR A COMPLETE O&M HIERARCHY IN PORT SAID GOVERNORATE

PROPOSED ORGANIZATION CHART FOR A COMPLETE O&M HIERARCHY  
IN PORT SAID



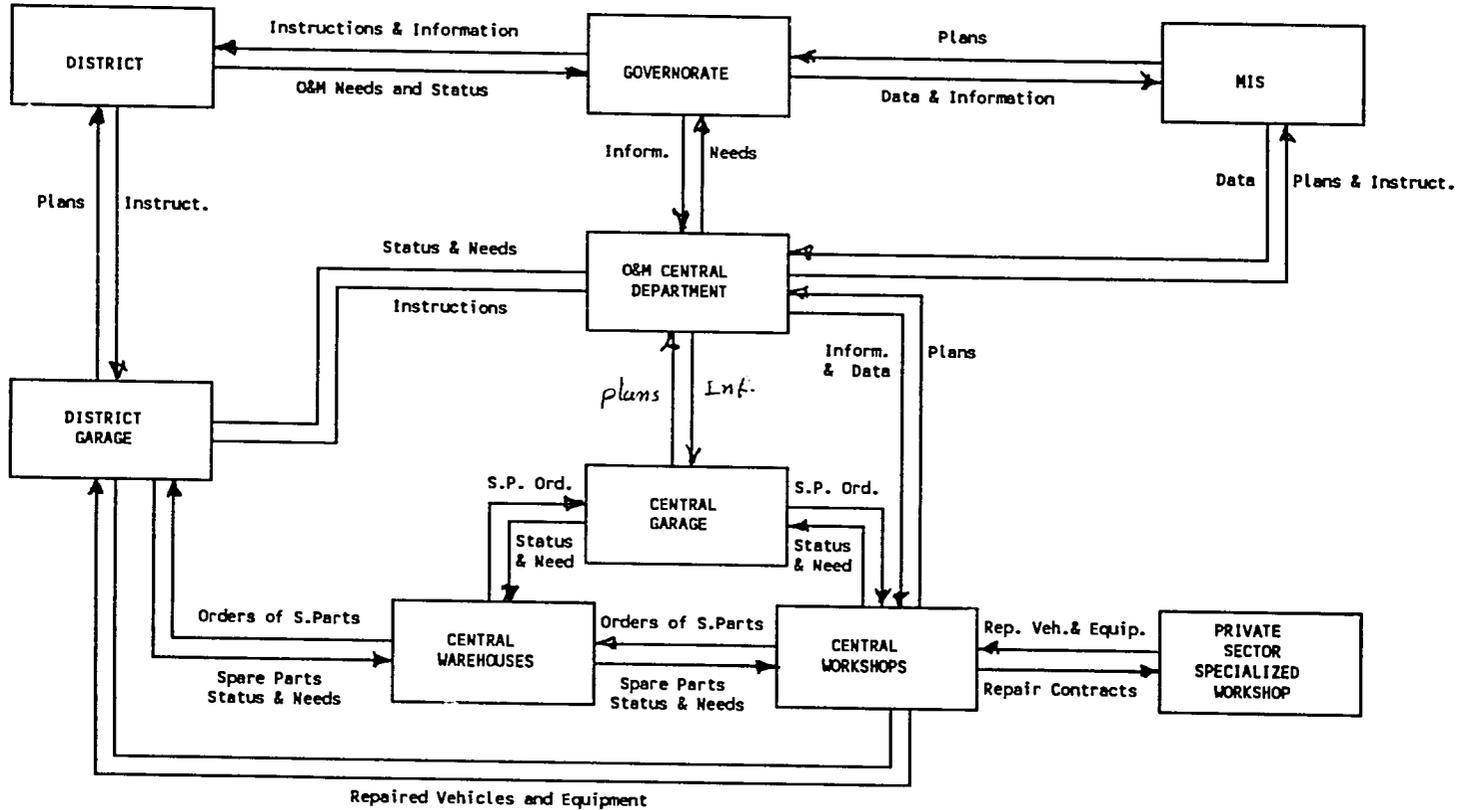
PORT SAID GOVERNORATE  
PROPOSED ORGANIZATION FOR CENTRAL WORKSHOP



## APPENDIX B

### O&M COMMUNICATION SYSTEM AND REPORTING FORMS

O&M COMMUNICATION AND REPORTING SYSTEM  
PORT SAID



FORM NO. OM-01

VEHICLE / EQUIPMENT DATA SHEET

Governorate : District : Date: / /19

**I. BASIC DATA:**

Vehicle/Equip. Name:	Plate No.:	VIN:
Make :	Model :	
Year Manufacture :	Date Received : / /	
Engine :	Type : HP:	Engine No.:
No. of Cylinders :	Cooling System :	
Equip. Engine :	Type : HP :	Engine No.:
Capacity : WT. Empty: (tons)	Loaded : (tons)	
Length : (cm)	Width : (cm)	Height : (cm)
Transmission :		
Chassis Type :	Chassis No. :	

**II. CAPACITIES:**

Fuel :	Tank Capacity :	(liters)
Engine Oil Type :	Eng. Oil Capacity :	(liters)
Hydraulic Oil Type :	Tank Capacity :	(liters)

**III. TIRES:**

No. of tires : Size :

**IV. BATTERIES:**

No. of Batteries : Capacity AM/HR : No. of Plates :  
Volts :

**V. GENERAL CONDITION:**

New ( ) Good ( ) Poor ( )  
Need Repair ( ) To be Scrapped ( )

**VI. MILEAGE & REPAIR:**

Working Hours :	(hr)	Mileage :	(km)
Last Major Repair :	/ /19	Last Medium Repair :	/ /19
Last Annual PM Performed :	/ /19		

Inventory and Status of Fleet

Governorate :

District :

Date: / / 19

S.N.	Vehicle/Equipment Name	Total	I.O	Need Repair			To Be Scrapped	% Availability	Remarks
				1	2	3			

Signature:

Position:

Name :

FORM NO. OM - 03  
VEHICLES AND EQUIPMENT  
ANNUAL OPERATION PLAN

GOVERNORATE : \_\_\_\_\_  
 DISTRICT : \_\_\_\_\_

DATE : \_\_\_\_\_

S.N.	PLATE NO.	TYPE	GROUP	TO DATE MILEAGE (KM-HR)	RESIDUAL MILEAGE TO NEXT REPAIR	ALLOWED ANNUAL OPERATING (HR-KM)	MONTHLY WORKING (KM-HR) - PLANNED & ACTUAL																								ACTUAL ANNUAL WORKING (KM-HR)	RESIDUAL MILEAGE TO NEXT REPAIR
							JUL		AUG		SEP		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		JUN			
							P	A	P	A	P	A	P	A	P	A	P	A	P	A	P	A	P	A	P	A	P	A	P	A		

P = Planned

Signature : \_\_\_\_\_

Position : \_\_\_\_\_

Name : \_\_\_\_\_

A = Actual

Approved by : \_\_\_\_\_

Position : \_\_\_\_\_

Signature : \_\_\_\_\_







FUEL AND OIL MONTHLY CONSUMPTION

Governorate : \_\_\_\_\_

District : \_\_\_\_\_

Date : \_\_\_\_\_

S.N	Plate No.	Veh. Name	Type	Total Mo. Work. KM/HRS		Fuel Consumption in Liters		Oil Consumption in kg			Total Monthly Cost in L.E	Remarks
				Planned	Actual	Gasoline	Diesel	Engine	Hydraul	Brake		
Grand Total												

Fuel Oil Prices in L.E :

- Liter of Gasoline = L.E
- Liter of Diesel = L.E
- KG of Eng. Oil = L.E
- KG of Hydr. Oil = L.E
- Brake Oil = L.E

Signature : \_\_\_\_\_ Position : \_\_\_\_\_ Name : \_\_\_\_\_



APPENDIX C

A COPY OF TAC LETTER  
DATED SEPT. 5, 1991  
TO PORT SAID GOVERNORATE

25

# LOCAL DEVELOPMENT II URBAN PROJECT

1097 CORNICHE EL NIL ST., GARDEN CITY . CAIRO, EGYPT . 355 7078 . 355 7933 . FAX 356 4294

September 5, 1991

Mr. Ali El Magayri  
Secretary General  
Port Said Governorate

Dear Sir,

Your know sir, that in November 1990, a seminar on O&M Needs took place in Port Said Governorate and H.E. the Governor attended that meeting.

Two committees were formed, the first was to report on Governorate O&M Needs for the following years till the end of the LD II Project by the end of 1992. The committee developed the O&M needs assessment. We hope to receive an official copy of the final report in order to cooperate to implement O&M plans for the following period.

The second committee was formed to study the possibilities of using new O&M facilities for income generation to assist sustaining O&M activities.

TAC arranged visits for the committee to Governorates that practiced successful exercises in this field namely Menya, Menofia and Alexandria.

Based on these experiences, I have the pleasure to submit some ideas about income generation that may be of interest to you:

1. The system implemented in Amreya District Garage in Alexandria can be applied in several district garages in Port Said namely in El Shark (East) and Port Fouad District Garages for the time being. Actual cost of services has to be calculated precisely. These facilities can provide services to other governmental agencies and public and private sector against payments. Port Said lacks these services in the City.
2. Road directorate owns a large road construction and maintenance fleet. The directorate has the ability to carry out road maintenance against payment especially casual, periodic and annual maintenance.
3. The governorate and several departments are hiring some of their equipment, besides providing other services to the public, companies and agencies, but cost of these services are not calculated according to actual costs, and the income (or profit) is not used to assist O&M activities.
4. H.E. the Prime Minister issued his directive number 22/91 which allows governorates to form investment companies in the field of maintaining and repairing rolling stocks, equipment and water supply plants. El Menofeya Governorate, based on this directive, formed an investment company named "El Menofia Company for Repair of Rolling Stock". You will find attached a copy of H.E. Mr. Prime Minister's Directive and copies of papers issued by El Menofia Governorate on forming the company.

19-1G.28

WILBUR SMITH ASSOCIATES

DELOITTE AND TOUCHE  
DEVELOPMENT CONSULTING GROUP

PUBLIC ADMINISTRATION SERVICE  
ENGINEERING AND GEOLOGICAL

This directive may allow Port Said Governorate to form a similar company. This company may include three major facilities: the Central Workshop, the Production Workshop and the Internal Transport Company. A proposed chart to show the main organizational structure of proposed company is attached.

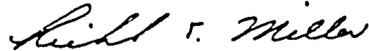
I hope that this paper may be of use to you on investigating possibilities of income generation that will support O&M activities.

Please provide us with copies of the needs assessment and income generation reports after being formally reviewed.

Thank you for your sincere cooperation, and wish you all the best.

Sincerely,

WILBUR SMITH ASSOCIATES



Richard E. Miller  
Chief of Party

cc: Mr. Jack Gisiger, USAID, Cairo  
Project Coordinator

