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Bintulu Port should haul up consultant for delays

KUALA LUMPUR: The Board of Bintulu Port should act against a consultant for changes made to construction plans which caused delays in completing its one-stop administration centre, said the 2005 Auditor-General's report.

It said the delays should also not have occurred if the contractor for the job had the financial capability to manage the project.

When officers of the Auditor-General's Department visited the site in October 2005, they found that some decisions had been taken without going through proper procedures.

For example, the Finance Ministry regulations state that for a project worth more than RM2mil in which the cost of the consultant exceeded RM200,000, the appointment should be made by the ministry's Central Committee for Picking and Appointing Consultants.

The appointment of the consultant is determined based on experience, expertise and dedication and commitment to see the project through.

Verification from a technical department such as the Public Works Department was needed, but the board did not get the verification.

The cost of the 21,552 sq m centre was RM83.98mil in 1999 and due for completion in January 2004.

But 10 months after the due completion date, it was only 87% completed.

An audit check showed that the contractor had cash flow and labour problems.

There were also problems in getting work permits and workers, while a sub-contractor was suing the main contractor, which caused a two-month delay in construction.

The report said the contractor had asked for four extensions totalling 469 days.

The extensions were over shortage of material and changes made to the structure, which were not part of the original plan.

The report said as of October last year, the Auditor-General's department found 61 directives for changes to be made to the building which raised the cost by RM4.85mil.

The changes were for a security guard shelter, extra parking lots, sky roof, seats in the auditorium and a strong room.

Only eight of the directives received the Board's approval.

The Board also did not get Treasury approval for the 61 changes.

The report also noted that because of the 21-month delay in completion, the Board lost RM4.88mil in rental.

It noted that departments such as the Customs and Excise Department which was to rent offices in the centre had built their own buildings.

The report also said the consultant was either overpaid or paid earlier than required.