



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

SCHOOL OF ENGINEERING AND TECHNOLOGY

**UNIVERSITY EXAMINATION FOR THE DEGREE IN SCIENCE IN
CONSTRUCTION MANAGEMENT**

4TH YEAR 2ND SEMESTER 2024/2025 ACADEMIC YEAR

CENTRE: MAIN CAMPUS

COURSE CODE: TCB 1402

COURSE TITLE: CONSTRUCTION CONTRACT ADMINISTRATION

EXAM VENUE:

STREAM: BSc. CONSTRUCTION MGT

DATE: 14/04/2025

EXAM SESSION: 9-11.00 AM

DURATION: 2 HOURS

Instructions

- 1. Answer question 1 (Compulsory) and ANY other two questions**
- 2. Candidates are advised not to write on question paper**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.**

QUESTION ONE (30 MARKS)

a) Explain the following phrases commonly applied in construction contract administration **(10 Marks)**

- i. Agency
- ii. Programme of works
- iii. Performance security
- iv. Consortium
- v. Consideration

b)

i. Briefly explain the merits of negotiated tendering **(4 Marks)**

ii. Briefly discuss the broad basic factors that determine the structure of the building industry **(3 Marks)**

c)

i. Briefly explain the term “Privity of contract” as applied in the construction contracts administration **(2 Marks)**.

ii. Briefly explain persons or parties who lack legal capacity in entering into legally enforceable contracts **(4 Marks)**.

d)

i. State the form of contract designed for use in managing public sector projects in Kenya **(2 Marks)**.

ii. With reference to the above form of contract explain the formalities that take place in a tender opening of a public project **(5 Marks)**.

QUESTION TWO (20 MARKS)

JOOUST has entered into an agreement with Ms Beach Construction limited to construct for them an ultra-modern cafeteria. The contract has adopted the public sector form of contract issued by the Public Procurement Regulatory Authority. As a project Manager, explain to your client the following:

- a) Circumstances under which the contract could be terminated by either party **(12 Marks)**.
- b) Eight admissible compensation events **(8 Marks)**.

QUESTION THREE (20 MARKS)

You have been appointed a Project Manager for an externally donor funded project whose scope is majorly civil engineering and the donor is desiring to adopt an international form of contract.

a. Recommend to your employer the most appropriate form of contract for this project (2 Marks).

b. Draft an invitation for prequalification of bidders to be advertised in Daily Newspapers clearly spelling out the criteria to be met by the bidders (18 Marks).

QUESTION FOUR (20 MARKS)

Prompt dispute resolution is key to the success of construction projects thus explaining its prominence in basically all standard forms of contract. Answer the following questions with respect to dispute resolution:

- a. Briefly discuss the disadvantages of alternative dispute resolution (ADR) mechanism over court litigation (6 Marks)
- b. Briefly discuss the attributes that can cause negotiation to collapse during dispute resolution (6 Marks)
- c. How does dispute resolution under public sector form of contract issued by Public Procurement Regulatory Authority (PPRA) differ from that provided under MDB Harmonized FIDIC form of contract? (8 Marks)

QUESTION FIVE (20 MARKS)

The National Construction Authority (NCA) was established in 2012 through an Act of Parliament in Kenya.

- a. State the broad mandate of the National Construction Authority (NCA). (1 Mark).
- b. Discuss the procedure of instituting enquiries into the conduct of errant contractors as provided for in this Act of Parliament (9 Marks).
- c. Discuss methods applied in classifying contractors other than the NCA method (10 Marks).