

MINUTES OF MEETING

SSAGS - CEIP SWITCHGEAR AND E-HOUSE FOR OGBOTOBO NODE
SCHNEIDER ELECTRIC NIGERIA NEGOTIATION/CLOSE OUT MEETING

Date: 2nd February 2023
Venue Sapphire Hall – Eko Hotel Lagos
Time: 10.30 - 12.30 Hrs
Attendees:

No	NAMES	COMPANY	No	NAMES	COMPANY
1	Tiamiyu Bashir	NUIMS	13	Simeon Omughelli	SCHNEIDER
2	Nuruddeen Yusuf	NUIMS	14	Oluwatoni Olugbenga	SCHNEIDER
3	Onyebuchi Ogbuike	NUIMS			
4	Sebastian Eze	NUIMS			
5	Olalekan Olaniyan	NUIMS			
6	Abdullahi Umar	NUIMS			
7	Priscilla Okwosha	NUIMS			
8	Pendo Lawani	SPDC			
9	Peter Oluwatumise	SPDC			
10	Ahmed Abubakar	SPDC			
11	Chinasa Ajaeroh	SPDC			
12	Ali Kadafur	SPDC			

1.0	<p>AGENDA</p> <p>1. Welcome/ Introduction & Presentation of Contractor's proposals - By Contractor. 2. Questions/clarifications - NUIMS/SPDC JV. 3. Negotiation. 4. Resolutions & Closeout out.</p>
2.0	<p>WELCOME/INTRODUCTION & PRESENTATION OF VP</p>
2.1	<p>Meeting started at 10.30 hrs with the introduction of attendees. Thereafter, NUIMS gave a welcome note followed by opening remarks by SPDC and SCHNEIDER ELECTRIC NIGERIA LTD (CONTRACTOR).</p> <ul style="list-style-type: none">• NUIMS welcomed all to the meeting having introduced their team, implored all to be objective with a view to closing out the negotiation promptly to enable timely delivery of the E-HOUSE package. The JV expressed dismay over CONTRACTOR’s decision to halt fabrication works sometime in 2022 despite knowing that their submitted variation was being attended to by the JV.• SPDC (the Operator) introduced its team, thanked NUIMS for making out time for the meeting and commended CONTRACTOR for resuming works on the suspended E-house fabrication. SPDC expressed optimism for a successful negotiation.• CONTRACTOR after introducing its team, requested the JV to consider the numerous challenges highlighted in its variation proposals. CONTRACTOR informed that they progressed works on the E-House absorbing some variations from their sub-vendors without recourse to SPDC but couldn’t continue following global rise in cost of steel and semiconductor devices as detailed in its variation letter. CONTRACTOR also confirmed resumption in E-house fabrication works in January 2023 with a commitment to deliver this scope in April 2023 optimistically.
3.0	<p>QUESTIONS/CLARIFICATION</p> <p>In response to questions on the basis for the variation and cost build-up, Contractor clarified as follows:</p>




	<ul style="list-style-type: none">Major cost drivers are escalation in the price of Steel, Semi-conductor devices and supply chain disruptionsContractor had shared details and evidence with the Operator showing cost pressure from its sub-contractors and suppliersContractor has factored all risk (material cost, schedule, weather, etc.) into this variation proposal and hence no more variation will be entertained after this one, on this project.															
4.0	<p>NEGOTIATION</p> <p>Contractor confirmed that their submitted variation is USD126,993.91 (One hundred and twenty six thousand, nine hundred and ninety three dollars, ninety one cents only). Afterwards the JV asked the CONTRACTOR to make an offer.</p> <p>The following offers/counteroffers were then made:</p> <p>Table 1: ACV Increase VP offers/counteroffers:</p> <table><tr><th>OFFERS</th><th>SCHNEIDER (USD)</th><th>JV (USD)</th></tr><tr><td>1st</td><td>118,989.69</td><td>47,336.50</td></tr><tr><td>2nd</td><td>114,294.52</td><td>59,170.67</td></tr><tr><td>3rd</td><td>108,000.00</td><td>59,170.67</td></tr><tr><td>Closing</td><td>80,000.00</td><td>59,170.67</td></tr></table>	OFFERS	SCHNEIDER (USD)	JV (USD)	1 st	118,989.69	47,336.50	2 nd	114,294.52	59,170.67	3 rd	108,000.00	59,170.67	Closing	80,000.00	59,170.67
OFFERS	SCHNEIDER (USD)	JV (USD)														
1 st	118,989.69	47,336.50														
2 nd	114,294.52	59,170.67														
3 rd	108,000.00	59,170.67														
Closing	80,000.00	59,170.67														
5.0	<p>RESOLUTIONS & CLOSE OUT</p> <ul style="list-style-type: none">The ACV increase VP negotiation was deadlocked with Contractor’s closing offer of USD80,000.00 as against the JV’s USD59,170.67. Contractor was however requested to present the JV’s closing offer to its (Schneider Electric’s) management for consideration and communicate decision through the operator (SPDC) within 48 hours.The meeting was adjourned to enable further consultations and alignment between the Contractor and the operator.															
	<p>In closing NUIMS thanked the Contractor for their openness and clear presentation at the meeting and requested for continuous collaboration on the project.</p> <p>CONTRACTOR thanked the JV for the opportunity and requested for every support possible to enable seamless delivery of the project.</p>															

POST NEGOTIATION

Contractor after consultation with its management reverted to the operator with a revised offer of **USD73,000.00** on the 6th of February 2023 which is acceptable to the JV.

NUIMS Team Lead:


BASHIR TIAMIYU (Feb 14, 2023 13:33 GMT+1)

Tihamiyu Bashir

Date:

14/02/2023

SPDC Team Lead:




Pendo Lawani

Date:

14/02/2023

SCHNEIDER Team Lead:



Simeon Omughelli

Date:

13/02/2023

Note: All Resolutions and Contents agreed are subject to NUIMS Management approval.