

**Minutes of the 350th meeting of KWA held at 02.30 p.m. on
08/03/2012 in the Conference Hall, Kerala Water Authority,
Thiruvananthapuram.**

Present:

- | | |
|-------------------------------------------------------|---------------------|
| 1. Sri. V.J. Kurian, IAS, Principal Secretary (WR) | Chairman |
| 2. Sri James Varghese IAS, Principal Secretary (LSGD) | Member (Ex Officio) |
| 3. Sri. V. P. Joy IAS, Secretary, Finance | Member (Ex Officio) |
| 4. Sri. Ashok Kumar Singh, IAS | Managing Director |
| 5. Adv. K. V. Mani | Member |
| 6. Sri. E. K. Chellappan | Member |
| 7. Sri. John Thomas | Member |
| 8. Smt. Susan Jacob | Technical Member |
| 9. Sri. V.S. Pradeep (FM&CAO) | Special invitee |
| 10. Sri. Viji Titus | Secretary |

The following decisions were taken by the Authority.

1. Accounts of KWA shall be made up to date by June 2012 including that for the year 2010-11
2. Computerisation of Accounts of KWA shall be carried out based on accrual accounting and double entry concept.
3. Tender publicity to be reduced in light of e-tendering as 15 days for works with estimate less than Rs. 1 crore and 30 days for works costing more than Rs. 1 crore. This proposal shall be submitted to the Government.
4. Energy audit of installations shall be carried out through EMC.

Item No. I (1) Disposal of CI scraps and other unserviceable items lying as dead stock in various locations of Kerala Water Authority

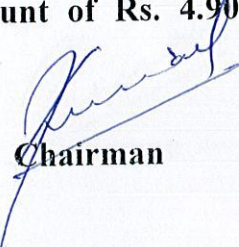
Res. No. 8957 The Authority noted that M/s. SILK have informed that they are willing to buy the CI Scraps at the rate of Rs. 17/kg and that they will repay the existing dues of Rs. 25,59,991/- at 5% of the total monthly bills claimed from the KWA by the SILK.
The Authority resolved that the Managing Director shall get an undertaking from M/s. SILK assuring that the CI scrap procured from KWA shall be used to manufacture CI specials for the KWA.

Item No. I (2) Administrative Sanction for the procurement of Bleaching Powder required for treatment process of water for the period from August 2012 to July 2013 – Approval

Res. No. 8958 The Authority resolved to accord Administrative Sanction for the procurement of the required quantity of Bleaching Powder from August 2012 to July 2013 for an amount of Rs. 4.90 crores.


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Chairman

Item No. I (3)

Modification proposal for NIT for Packaged Drinking Water Plant at Aruvikkara

Res. No. 8959

The Authority noted that the above work was tendered 3 times – but the response to the tender was very poor.

The main reason for the poor response is that the tenderer/contractor has to market the product of the KWA, generate income and return the money invested by KWA. Thus the tenderer/contractor is responsible for all the risks involved in marketing the product and has to handover the plant after the payback period.

Now the work is retendered with the same NIT conditions – the due date of submission of tenders being 14/3/2012. It has been proposed that in case there is no response this time too, the NIT may be modified deleting the provision of marketing from the scope of work in the NIT and a separate marketing strategy is to be formulated.

The Authority discussed the item in detail and resolved as follows.

1. In case there is no response to the present tender also, the work shall be tendered as a new work modifying the scope of work in the NIT as "Planning, design, construction, supply, installation and commissioning of the packaged / bottled drinking water plant of capacity of 7500 lph at Aruvikkara on EPCM Contract basis including trial run for a period of 3 years, under the supervision of the contracting firm.

2. Evolve a marketing strategy before awarding the work for the satisfactory completion of the project.

3. Since the security deposit of the original contractor M/s. Shivam Water Treaters has already been forfeited, and as no payment has been made to that firm, the work with the modified NIT shall be tendered as a new work and not at their Risk and Cost. The risk and cost amount shall be limited to the amount comprising of the EMD, security deposit and payment towards the portions of the work.

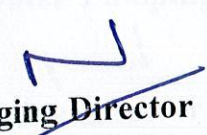
The firm has carried out design, earthwork, PCC etc. Hence the claim against the portion of the work carried out by the firm may be assessed and adjusted and recovered from the firm as the risk and cost amount in rearranging the work.

4. The above decisions shall be brought to the notice of the Government of Kerala.

Item No. I (4)

Increase of financial powers of Authority- Amendment of KWA Act Section 15- Proposal


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Res. No. 8960

The Authority noted that vide resolution No. 8444, it was resolved to recommend to Govt. to increase the financial powers of the Authority from Rs. 500 lakhs to Rs. 1000 lakhs. The Government has now informed that the financial powers of the Authority can be enhanced only by the amendment of the sub section (2) of section 15 of Kerala Water Supply & Sewerage Act 1986.

The Authority resolved to propose the amendment of Section 15 as follows.

Amendment of Section 15 – In sub section (2) of section 15 of the Kerala Water Supply and Sewerage Act, 1986 (14 of 1986) and the Kerala Water Supply & Sewerage (amendment) Act 2005.

(a) In the provision to Clause (II), for the words "rupees five crore" the words "rupees ten crores" shall be substituted.

(b) In the provision to clause (IV), for the words "rupees five crore", the words "rupees ten crore" shall be substituted.

The Authority further resolved to propose to the Government to issue necessary orders making the revisions in financial powers as fixed by the Government from time to time to be made applicable to the Authority also.

Item No. II (1)

Guruvayur Drainage Scheme – Supplying and Laying, testing, commissioning and maintenance of sewer lines - Road Restoration

Res. No. 8961

The Authority resolved to entrust the road restoration works to the concerned agencies viz. the PWD , Guruvayur Municipality and Guruvayur Devaswom Board, the estimated amount being Rs. 1,19,92,000, Rs. 75,45,000 and Rs. 30,50,000 respectively.

General I

The Authority emphasized that major deviations and variations from the original estimate can no longer be allowed. The estimates are to be realistically prepared and if any significant deviation and variations are necessary after arranging the work the same shall be carried out as a separate work by inviting open tenders – as per the codal provisions.

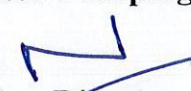
Item No. II (2)

ARWSS to Kurattissery, Mannar, Chennithala & Thrippерumthura villages in Alappuzha District - Supplying and laying of 300mm DI K-9 Clear water Pumping Main 4650m and laying part of distribution system – LS tender

Res. No. 8962

The Authority resolved to award the work of ARWSS to Kutattissery, Mannar, Chennithala & Thrippерumthura villages in Alappuzha District - Supplying and laying of 300mm DI K-9 Clear water Pumping Main 4650m and laying part of


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distribution system, to M/s. J & B Engineering and Construction Company, Thiruvalla if they are willing to take up the work at 10% above the estimate PAC of Rs. 290.04 lakhs based on the Revised SoR 2010. Action shall also be taken to get Revised AS for the project.

Item No. II (3) *ARWSS to Kanjirappally, Elikkulam and Chirakkadavu Panchayths - Construction of 6 LL GLSR at Thampalakkadu and supplying and laying 200 mm DI K9 (8000 m) clear water pumping main from Gramadeepam sump cum boosting station to 6.00 LL capacity GLSR at Thampalakkadu - Package IV - LS tender*

Vide Resolution No. 8803 dated 21/7/2011 the Authority had noted that the tender excess works out to 43.4% above the tendered PAC instead of 39% above as awarded by the Authority owing to the difference in the Tendered PAC as reported subsequently by the Chief Engineer (SR). The difference was due to the road restoration charges and contingencies. The Authority had hence called for the explanation of the concerned officers.

The Superintending Engineer, PH Circle, Kottayam has now explained that the contractor was not willing to furnish the undertaking to deduct the road restoration charges as it was not included in the scope of work in the NIT. But the tendered PAC of Rs. 228.60 lakhs included road restoration charges also. Hence the Superintending Engineer has deducted Rs. 932526/- for road restoration from the contractor's bill. Only Rs. 41,700/- remained to be recovered.

The Authority noted the explanation and remarked that it should be ensured that there is no loss to the Kerala Water Authority.

Item No. II (4) *WSS to Kasargod - Improvements providing pumpsets and transformer - Tender*

The Authority noted that the tenders have already been invited for the pumpsets and transformer with due date on 26/3/2012. The Authority directed that the work shall be executed on a war footing basis, considering acute scarcity of water there.

Item No. III (1) *JICA Assisted Kerala Water Supply Project - Proposal for release of commissioning and taking over payment against unconditional BG*

Res. No. 8963

It was brought to the notice of the Authority that the JICA mission had raised serious concern over the shortfall in disbursement for the Kerala Water Supply Project in financial year 2011-12 and that they had proposed releasing of commissioning and taking over payment against unconditional Bank Guarantee for substantially completed works.


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The Authority discussed the proposal in detail. Most of the items included in the estimate can be completed immediately with a concerted effort and hence the Authority decided not to release the commissioning and taking over payment for substantially completed works against Bank Guarantee but every effort shall be taken to complete the work without delay. However the Authority **resolved that in case the work has been completed the commissioning and taking over payment can be released against the certificate of the EE (JICA) and unconditional Bank Guarantee of equivalent value.**

Item No. III (2) JICA Assisted Kerala Water Supply Project- Kozhikode City and adjoining – Scheme Package IV- Service Reservoirs- Variation approval

Res. No. 8964 The Authority noted that the original contract sum was Rs. 56,03,41,744, the Revised Contract Sum (excluding 3 tanks) is Rs. 49,72,56,667/-, excess approved earlier is Rs. 4,29,43,462/-. Excess approval proposed now is Rs. 5,59,90,425/- BOQ savings Rs. 9,88,31,617/- and overall excess comes to Rs. 1,02,270/-.

The Authority further noted that the variations now proposed pertain to works already carried out and the High Level Technical Committee had recommended the same to the KWA Board. The variations proposed are quite huge and this kind of deviations should have been avoided by drawing up realistic estimates and especially when a consultant was engaged for the purpose. In future detailed and accurate designs and estimates shall be insisted upon for avoiding such huge variations. The Chief Engineer (JICA) shall further verify the variations before making the payment.

The Authority discussed the proposal for approval of variations in Package IV contract of Kozhikode scheme as recommended by the High Level Technical Committee based on the estimate submitted by the Chief Engineer (JICA) and **resolved to approve an excess of Rs.55, 990,425/-.** The Authority also noticed that taking into account the savings of Rs.42,841,192/- and the excess approval accorded earlier, the overall excess for the Package is Rs 102,270/-.

Item No. III (3) JICA Assisted Kerala Water Supply Project –Kozhikode and adjoining villages – Package III – Distribution System – Re-tendering of Balance works– Zone P3 R1 –Awarding of work

Res. No. 8965 The Authority considered the proposal for awarding the work – JICA Assisted Kerala Water Supply Project in Kozhikkode and adjoining villages – Package III – Distribution system – Retendering of balance works – Zone P3-R1 and the recommendation of the HLTC to award the work to M/s. Shriram


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EPC Ltd., Chennai at their quoted rate of Rs. 74,58,95,273 (excluding provisional sum) which is 2.74% below SoR 2010. After detailed discussion, the Authority **resolved to recommended to the Empowered Committee in Government to award the work to M/s. Shriram EPC Ltd. at their quoted rate, subject to the concurrence by JICA.**

Item No. III (4) *JICA Assisted Kerala Water Supply Project –Kozhikode and adjoining villages – Package III – Distribution System – Retendering of Balance works– Zone P3 R2 –Awarding of work*

Res. No. 8966 The Authority considered the agenda note on the proposal for award of work for the balance works of Package III Kozhikode for the zone P3-R2, and the recommendation of the High Level Technical Committee to award the work to M/s. Shriram EPC Ltd., Chennai at their quoted rate of Rs 91, 61, 28,252 /- (excluding provisional sum) which is 0.77% above SoR 2010. After detailed discussions, the Authority **resolved to recommend to the Empowered Committee in Govt. to award the work to M/s. Shriram EPC Ltd. at their quoted rate, subject to the concurrence of JICA.**


Item No: III (5) *JICA Assisted Kerala Water Supply Project - Water Supply Scheme to Thiruvananthapuram City Region – Package IV – Construction of Service Reservoirs – Variation approval*

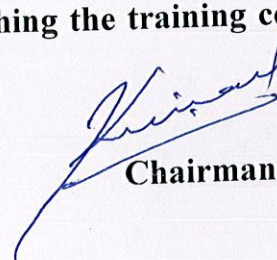
Res. No. 8967 The Authority discussed the agenda item regarding approval of variations and opined that this kind of huge variations should be avoided by adopting a more professional approach. The Chief Engineer (JICA) was summoned to the meeting and was informed of the above observations. The Chief Engineer (JICA) shall further verify the variations before making the payment. However as recommended by the High Level Technical Committee based on the estimate approved by the Chief Engineer (JICA) the Authority **resolved to approve the net variation for package IV of the Thiruvananthapuram scheme for Rs. 5,430,812/- as per the following break up**

Excess over BoQ items	: Rs. 25,349,718/-
Non BoQ items adopting BoQ rates	: Rs. 4,087,641/-
Non BoQ items at negotiated rates	: Rs. 34,711,930/-
Total variation approval to be issued	: Rs. 64,149,289/-
Less BoQ Savings	: (-) Rs. 58,718,477/-
Net approval required	: Rs. 5,430,812/-

The Authority further resolved to approve the offer of the FIT for supplying furniture for training centre at Rs. 1.07 crores and the offer of M/s. SIDCO for furnishing the training centre at Rs. 25,50,611/-.


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Item No. III (6) *JICA Assisted Kerala Water Supply Project – Meenad & adjoining villages – Package IV – Construction of Service Reservoirs – Variation approval*

Deferred

Item No. III (7) *JICA-Institutional Strengthening Working Committee – Present Status and request for extension*

Deferred

Item No. IV (1) *Absorption of CLR workers as NMR Workers and subsequent absorption into regular establishment – Judgment of the Hon'ble High Court in W.P.(C) No.19966 of 2009 – Filing of Appeal*

This issue was discussed at length but deferred for want of more details.

General

With the commissioning of JICA and other major schemes many of the tube well/ bore well pump houses may have to be abandoned. In this context the available staff will have to be effectively re-deployed. In order to have a clear picture of staff deployment, the Authority wanted Panchayat wise details of schemes, name of pump house/ treatment plant, No. of shifts, No. of staff employed (establishment/contract) etc. The details of vehicles (owned/hired) with details of drivers under each office shall also be furnished.

Item No. IV (2) *Award of the Hon'ble Sub Court, Pala in LAR No.22/1994 dated 12-01-1999 – Deposit of Award Amount*

Res. No. 8968

The Authority noted that Carmelite Convent, Mutholy, Pala have claimed an amount of Rs. 55,79,465/- (Rupees fifty five lakh seventy nine thousand four hundred and sixty five only) as on 04.07.2009 with future interest and cost which has to be remitted to satisfy the decree passed by the High Court in LAA 10633/2006 and execution petition No.52/09 filed by the complainant in LAR No.52/94 at the Sub Court.

On receipt of necessary orders from the Govt. and upto date statement/ proceedings from the Revenue Authorities, the amount can be paid.

The Authority resolved to recommend the Government to accord sanction to the Kerala Water Authority to make payment of the decretal amount in LAR 22 of 1994 of the Sub Court, Pala and also to request the Government to instruct the three beneficial Panchayaths, viz. Akalakkunnam, Kozhuvanal & Mutholy Panchayaths to refund the amount to the KWA.


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Item No. IV (3) Allotment of KWA land to Malappuram Municipality for construction of an Anganwadi

Res. No. 8969 The Authority perused the representation of the Malappuram Municipality for allotting 2.5 cents of land for the construction of an Anganwadi. The Chief Engineer (NR) has opined that the sparing of land will adversely affect the future activities of KWA. The Authority **resolved not to consider the request of the Municipality since the water supply to the public is to be given the highest priority**

Item No. IV (4) Kerala State Disaster Management Authority - International Workshop and Seven day exhibition - 'Surakshaayanam 2012'- Contribution - Ratification

Res. No. 8970 The Authority **resolved to accord sanction to release Rupees one lakh to the Department of Revenue and disaster Management, Government of Kerala for organizing an International Workshop and a seven day exhibition 'Surakshayaanam 2012' from 4th March in Thiruvananthapuram.**

Item No. IV (5) Pay Revision orders of Kerala Water Authority

Res. No. 8971 The Authority **resolved to implement the Pay Revision order issued by the Government revising the pay and allowance of the employees of Kerala Water Authority. It was brought to the notice of the Authority that in the Pay Revision Order it is not specifically mentioned about the exercise of option rule. The Authority further agreed to follow the rules of State Government employees' pay revision order in exercising the option. Action shall be taken to get this sanctioned by the Govt.**


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