

**Minutes of the 316<sup>th</sup> meeting of KWA held on 23/12/2008 at 10.00 a.m. in the Conference Hall, Kerala Water Authority, Thiruvananthapuram.**

**Members Present:**

1. Sri. K. Jayakumar IAS	Chairman
2. Sri. T. K. Jose IAS	Member (Ex-Officio)
3. Sri. Illickal Augusty	Member
4. Sri. C. Ravindran	Member
5. Sri. M. S. Gopakumar	Member
6. Sri. C. Suresh Babu	Managing Director
7. Sri. T. P. Mohanlal	Technical Member
8. Sri. V. K. Girijavallabhan, IA & AS	Accounts Member

**Leave of absence:**

1. Sri. Velayudhan Vallikkunnu	Member
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*Item No. I (1) Confirmation of the Minutes of the 315<sup>th</sup> Meeting held on 04/12/2008*

The Authority confirmed the minutes of the 315<sup>th</sup> meeting held on 04/12/2008.

*Item No. I (2) Review of action taken in the previous meetings*

The Authority reviewed the Action Taken Report. The Authority observed that even though circular instructions were issued by the Managing Director to all subordinate officers directing to extend invitation of all events held in Kerala Water Authority to all its Board Members, the same is not adhered to. Hence the Authority directed the Secretary, Kerala Water Authority to extend such invitations to the Board Members by the Secretary itself.

*Item No. II (1) Review of Billing and Collection for the month of October 2008.*

The Authority discussed the DCB statement placed for it in detail and observed that the collection in certain Divisions are far below the demand. The Authority expressed its displeasure and directed the Managing Director to issue instructions to all the Division Officers to improve the revenue collection so that the demand can be collected in full. Further directed the

Managing Director to take necessary corrective actions in such Divisions where the revenue collection is below 60% of the demand. The Authority also directed the Managing Director to issue monthly /bimonthly bills to the local bodies and to the Government Departments for remitting the monthly/bimonthly charges. In the event of default in payment action shall be initiated even to disconnect such connections.

*Item No. III (1) Implementation of SPAN-NABARD assisted Projects –WSS to Irumbilium-Valancery Panchayat (Package I) -Design, Construction, testing and commissioning of 15LL capacity GLSR at Nellikaparamba in Irumbilium Panchayat-Tender*

**Res. No. 7904** The Authority noted that the tender placed before it for approval relates to the implementation of SPAN - NABARD assisted Project. After discussions the Authority resolved to accept the offer of Sri. V. P. Moideen Kutty, contractor at his negotiated reduced rate of Rs. 87,07,632.00 which is 26.27% above the tendered PAC of Rs. 68,96,000.00 for the work - WSS to Irumbilium - Valancery Panchayat (Package I) -Design, Construction, testing and commissioning of 15 lakh litres capacity GLSR at Nellikaparamba in Irumbilium Panchayat.

*Item No. III (2) Implementation of SPAN-NABARD assisted Projects –WSS to Kizhakkoth Panchayat-Supplying, laying, testing and commissioning of pumping main-Package I- Tender*

**Res. No. 7905** This item relates to tenders invited for the implementation of SPAN-NABARD assisted Projects - WSS to Kizhakkoth Panchayat-Supplying, laying, testing and commissioning of pumping main-Package I. The Authority after discussion resolved to accept the offer of Sri. Rajiv Thomas for the work at his negotiated reduced rate of Rs. 96,06,000.00 which is 34.56% above the estimated PAC of Rs. 71,39,000.00.

*Item No. III (3) CARWSS to Thirunavaya and adjoining villages-Supplying and laying, testing and commissioning of pumping main, Gravity main and construction of RCC OH Reservoir under EPCM basis-Pre-qualification –Tender*

**Res. No. 7906** The Authority noted the item in detail. The Managing Director informed the Authority that the pre-qualification condition for past experience in the case of join venture partnership has been

changed for this particular tender from the conditions specified in the draft NIT approved by the Authority and circulated. Due to this change the tenders received for the work has to be rejected as none of them could qualify even though as a joint venture, they had sufficient qualification. Hence the Authority resolved to re-tender the subject work with the draft NIT approved for such works immediately and submit the same for the consideration of the Authority in its meeting to be held during February 2009. The Authority further resolved to call for the explanations of the Chief Engineer (NR) for his action in deviating from the draft NIT approved by the Authority for these kind of works.

*Item No. IV (1) JBIC Assisted Kerala Water Supply Project – Kozhikode & adjoining villages – Package II A – Transmission Mains – Variations- Approval*

**Res. No. 7907** The Authority discussed the variation proposals for the Package II A contract of Kozhikode and item in detail and resolved to approve the excess amount of Rs. 77,32,610.00 based on the recommendation of the Consultants and Technical Committee.

The break up of excess amount approved is as follows

- |  |                        |
|--|------------------------|
| 1. Laying of pipe line in the Kayana Canal alignment chainage 7907 to Chainage 11750 | = Rs. 22, 36,894.00(-) |
| 2. Pipe crossing at Chainage 11750   | = Rs.18,79,598.00(-)   |
| 3. Kottur cross country (KWA acquired Land) Ch 13620 to 15768                        | = Rs.6, 09,825.00(+)   |
| 4. Providing of Quarry Waste for temporary restoration of road                       | = Rs.4, 42,472.00(-)   |
| 5. Permanent Restoration of Roads.   | = Rs.19, 36,200.00(+)  |
| 6. Telemetry and Mechanical Chlorination   | = Rs.97, 45,549.00(+)  |

The Authority also noted that with the present approval, the overall excess in Kozhikode Package II A contract will be 5,85,24,260.00 which is 3.90% over the contract sum of Rs. 149,98,52,321.00.

**Overall excess as on Date:**

1.	Contract sum	:	149,98,52,321.00
2.	Enhancement in provisional sum already approved	:	4,70,00,000.00
3.	Excess approved already	:	37,91,650.00
4.	Excess approval proposed now	:	77,32,610.00
5.	Total Excess (2+3+4)	:	5,85,24,260.00
6.	Overall Excess (%)	:	3.90%

*Item No. IV (2) JBIC Assisted Kerala Water Supply Project - Package I - Pattuvam – Variation proposal -Approval*

**Res. No. 7908** The Authority discussed the two variation proposals under package I of Pattuvam scheme and **resolved to approve:-**

- (i) the variation in road restoration for Rs. 23,54,376.00
- (ii) the variation for over burden removal for an amount of Rs. 13,90,800/- . The Authority also noted that there would be no addition to the contract sum due to these two variation approvals.

*Item No. V (1) Estt. Guidelines for sanctioning Leave Without Allowance*

**Res. No. 7909** The Authority noted the item in detail and **resolved to extend the benefits of the Government Circular No.54/08/Fin. dated, 22.08.2008 and GO (P) No.448/08/Fin. dated, 06.10.2008 with a direction that the Leave Without Allowance will be restricted for a maximum period of five years only in the entire service for better employment in the case of all Technical staff from and the above the cadre of D'Man Grade I. Any extension of period of LWA for a short duration over and above the five years will be considered individually by the Authority on a case to case basis with proper justification. The Authority further directed the Managing Director to place before it the list of such persons whose leave without allowance sanctioned has since been over and still to re-join for duty for its information.**

*Item No. V (2) Irregularities in Kanjiramkulam Section - Vigilance Enquiry*

**Res. No. 7910** The Authority discussed the item in detail and **resolved to recommend to Government for vigilance tribunal enquiry against the accused as suggested by the Government.**

*Item No. V (3)*      *Estt - Medical Advance - Sri. A. ArunKumar, Assistant Engineer, Public Health Sub Division, Kundara*

**Res. No. 7911**      The Authority resolved to sanction an amount of Rs. 46,505/- (Rupees Forty Six thousand Five Hundred and Five only) to Sri. A. ArunKumar, Assistant Engineer, for treatment of his mother for Rectal Cancer at Holy Cross Hospital Kottiyam subject to the following conditions.

1. The Advance shall be utilized within three months or else it should be refunded in full along with 12% simple interest, immediately on expiry of three months. Utilization certificate should be furnished to the Loan Disbursing Authority within three months of receipt of the loan.
2. The amount shall be adjusted against the final claim within six months and any balance amount remaining unadjusted along with 12% simple interest shall be recovered from the salary of the incumbent @ Rs.500/- per month.
3. The sanction of the medical claim of the incumbent shall be subject to the rules applicable to Kerala Water Authority.
4. An undertaking shall be obtained to the above effect before disbursing the advance sanctioned.
5. Un-recovered balance if any shall be recovered from the Death-cum-Retirement Gratuity of the incumbent.

*Item No. V (4)*      *Estt. - Waiving of liabilities - Marriage Advance in respect of Sri.R.Narayanan Kutty alias Kuttappan (Late) worker died in harness while working under Public Health Division, Palakkad*

**Res. No. 7912**      The Authority resolved to write-off Rs.17,392/- (Rupees Seventeen thousand three hundred and ninety two only) towards Marriage advance amount in respect of Sri.R.Narayanan Kutty alias Kuttappan who expired on 17.09.2006 while working under Public Health Division, Palakkad as per the rules in GO(P)No.591/97/Fin. dated, 17.06.1997, GO(P)No.5/99/Ird dated, 03.02.1999 and GO(P)No.596/2000/Fin. dated, 14.03.2000.

*Item No. V (5)*      *Estt - Waiving of liabilities - House Building Advance in respect of Sri.K. Gangadharan (Late) Selection Grade Typist, died in harness while working at P.H. Sub Division, Thalassery*

**Res. No. 7913** The Authority resolved to write off Rs.39,796 (Rupees Thirty Nine thousand seven hundred and ninety six only) towards HBA in respect of Sri.K.Gangadharan, Selection Grade Typist who expired on 04.02.08 while working at P.H.Sub Division, Thalassery as per rules in G.O.(P)No591/97 dated, 17.06.97 and G.O.(P)No.5/99/Ird dated, 03.02.99

*Item No. V (6)* *Estt - Appointment of L.D.Clerk Sri.Manoj.T, Request for extension of joining time for 3 months (90 days)*

The Authority noted the item in detail and observed that Sri. Manoj had overstayed from joining duty without prior permission. It also observed that getting relieved from the Revenue Department for joining duty in Kerala Water Authority is not a genuine reason for his request for extension of joining time. Hence the Authority declined the request for extension and directed the Managing Director to inform the incumbent to join for duty immediately i.e. within 3 to 4 days time, through a telegram, failing which his appointment will be treated as NJD. The Authority observed that all incumbents who are appointed in Kerala Water Authority in various posts shall join for duty within the stipulated time allowed failing which the appointment will be treated as NJD.

*Item No. V (7)* *Estt. -Leave Without Allowance for better employment abroad-Sri.Arifudeen.P.U, Meter Reader (On Leave Without Allowance)-abroad-rejoining duty-grace period requested*

The Authority declined the request of Sri. Arifudeen. P. U, Meter Reader for extension of LWA and directed the inform the incumbent to join for duty on or before 31/12/2008, failing which action as contemplated in the service rules will be taken against him including termination.

*Item No. V (8)* *New Telephone Connection at P.H. Section office, Harippaad*

**Res. No. 7914** The Authority noted item and resolved to approve the proposal to provide a new telephone connection without STD facility to the P.H. Section Office, Harippaad.

*Item No. VI (1)* *Special audit of deposit works*

The Authority noted the report on the Special Audit of deposit works for the period from 1997-98 to 2007-08. It is observed that some quantity of amount has been utilized for making payment to other works which were not envisaged under the

deposit work. About Rs. 50 crores is still with Kerala Water Authority under the head "Deposit Works" as unspent. The Authority directed the Managing Director to return the unspent amount to the respective departments immediately. In case the amounts deposited by the LSG Depts. can be utilized for some other works relating to same LSG, the same may be executed with their prior concurrence. The Authority directed the Managing Director to see that such works shall be completed in all respects by the end of February 2009 and an action taken report shall be presented in the Authority meeting of March 2009. Necessary directions shall be issued to all the concerned officers directing them against diverting the deposits received for other works. The Authority also directed the Managing Director to get the explanation of the following Executive Engineers for not making available records for furnishing the details called for by the Audit Party.

Sl. No.	Division	Remarks
1	WS.Division, Kochi	Performa from 1997-98 to 2000-01 not furnished
2	PH.Division, Alleppy	Performa from 1997-98 to 2007-08 not furnished.
3	PH.Division, Kottayam	Performa from 1997-98 to 2007-08 not furnished
4	PH.Division, Trivandrum	Performa from 1997-98 to 2007-08 not furnished
5	PH.Division, Nattika	Details of 2006-07 and 2007-08 not furnished
6	PH.Division, Attingal	Details not furnished as per the format

*Item No. VI (2)*

*Water Supply Scheme for Parur Municipality and adjoining panchayats by improving Chowara Head works and laying pumping main from Chowara to Parur Sump (Chowara Water Supply Scheme) - Documents for availing the corporate loan of Rs. 10 crores sanctioned by the SBT, Kowdiar Br. Signed by the Managing Director - ratification*

**Res. No. 7915**

The Authority noted the circumstances under which the Managing Director had signed the loan agreement with SBT for availing the additional loan and **resolved to ratify the action of the Managing Director in having signed the loan documents for availing an additional loan of Rs. 10 crores sanctioned by SBT, Kowdiar for Chowara Water Supply Scheme.**

*Item No. VI (3) Water Supply Scheme to Ananganadi Grama Panchayath - Handing over of components relating to Kerala Water Authority scheme and disconnection of Electric connection to Pump house*

**Res. No. 7916** The Authority noted the item in detail and after discussion resolved to ratify the action of the Managing Director in directing the Executive Engineer to take immediate steps to (1) disconnect the Electric connection to the pump house at Pavukonam (2) hand over all the components relating to the scheme to the Grama panchayath and (3) not to collect revenue from the handed over schemes as the scheme is maintain from the newly commissioned Chenumpully Scheme owned and maintained by the Anaganadi Grama Panchayat.

*Item No. VI (4) Suit No.O.S.364/03 filed by Sri.V.P.Shamsudeen before the Sub Court, Ernakulam*

**Res. No. 7917** The Authority noted the item and resolved to approve the fee of Rs. 33,000.00 claimed by the advocate Sri. C. T. Joseph for contesting the suit filed by Sri. V. P. Shamsudeen before the Sub Court Ernakulam for realizing an amount of Rs. 17,70,351.00 and which was decreed in favour of Kerala Water Authority.

*Item No. VI (5) Supply of Design Software "STRAP 2008" to WASCON-ratification*

**Res. No. 7918** The Authority noted the item and resolved to ratify the action of the Managing Director, who accorded sanction for the purchase of design software "STRAP 2008 Professional Version with IS code for Design" for WASCON costing Rs. 281250/- .

*Item No. VI (6) Kerala Water Authority-Formation of WASCON-Concept Paper*

The Authority discussed the draft concept paper presented before it for approval. The Authority observed that the Engineering Orientation reflected in the report has to be changed. Main trust has to be given in marketing, business promotion, other governance and sociological aspects. These has to be discussed in detail and a revised concept paper along with the investment pattern has to be prepared. The Authority also suggested that the consultancy wing is entitled to collect a

mobilization advance of 25% from the customers. The Authority opinioned that the service organizations of Kerala Water Authority shall also be taken into confidence.

The Managing Director informed that JICA had expressed their interest in extending their financial support for integrated water supply scheme to Kuttanad area. The Authority opinioned that Kerala Water Authority has to initiate an industrial water supply scheme which is commercially viable as a flagship for meeting the water requirement both commercial and industrial required for the huge development activities coming in an around Kochi, Kakkanad area including Infopark, Smart City and along the Aluva Angamali Belt, Thrissur and in the Hi Tech City being developed in Trivandurm. The Authority directed the Managing Director to entrust this work to WASCON with a direction to prepare a DER covering all the above aspects within a period of 3 months time so that the entire project can be completed and commissioned in another 24 months time i.e. by the time the development activities are completed

*Item No. VI (7)* ജല അതോറിറ്റി ഡിസംബർ 10 ന് ജലഭവനിൽ നടത്തിയ പൗരാവകാശ രേഖാ പ്രകാശനത്തോടനുബന്ധിച്ച് വിവിധ പത്രങ്ങൾക്ക് പരസ്യം നൽകിയ നടപടി ശരിവെക്കുന്നത് സംബന്ധിച്ച്

**Res. No. 7919** ഡിസംബർ 10 ന് ജലഭവനിൽ നടന്ന പൗരാവകാശ രേഖാ പ്രകാശന ചടങ്ങിൽപ്പെട്ട പ്രാധാന്യം കണക്കിലെടുത്ത് ഹിന്ദു, ഇൻഡ്യൻ എക്സ്പ്രസ്, മലയാള മനോരമ എന്നീ പത്രങ്ങളുടെ കേരള എഡിഷനിൽ അതോറിറ്റി അംഗീകരിച്ച പ്രത്യേക നിരക്കിൽ മീഡിയലിസറ്റിലുള്ള ഏജൻസി മുഖേനയും മറ്റു മലയാള പത്രങ്ങൾക്ക് പി.ആർ.ഡി നിരക്കിലും 1/4 പേജ് പരസ്യം നൽകിയ മാനേജിംഗ് ഡയറക്ടറുടെ നടപടി ശരിവെച്ച് താഴെ പറയുന്ന പ്രകാരം പരസ്യ തുക അനുവദിക്കാൻ തീരുമാനിച്ചിരിക്കുന്നു.

**അനുബന്ധം**

ക്രമ നമ്പർ	ദിനപത്രം	കാറ്റഗറി	തുക
1	മലയാള മനോരമ	D (333.19 Sq. Cm.)	1,35,775
2	മാതൃഭൂമി	D	65600
3	ദേശാഭിമാനി	D	28800
4	ദീപിക	C	24700
5	ചന്ദ്രിക	C	24700
6	കേരള കൗമുദി	C	21300
7	മാധ്യമം	C	24700

8	ജന്മഭൂമി	C	15000
9	വീക്ഷണം	C	16100
10	ജനയുഗം	C	15000
11	തേജസ്സ്	C	24700
12	സിരാജ്	C	19000
13	മംഗളം	C	24700
14	വർത്തമാനം	C	7500
15	ഉത്തരദേശം	B	3100
16	കാർണിവൽ	B	3800
17	പുണ്യഭൂമി	B	3800
18	സതേൺ സ്റ്റാർ	B	2700
19	ജന്മദേശം	A	2600
20	ലേറ്റസ്സ്	A	2600
21	തലസ്ഥാനവാർത്ത	A	2300
22	തനിമ	A	1700
23	ജനറൽ	A	2600
24	സ്വതന്ത്ര മണ്ഡപം	A	2100
25	കേരള രാജ്യം	A	2100
26	സുദിനം	A	2600
27	പ്രഭാതവാർത്ത	A	2600
28	കേരളനാട്	A	2100
29	പടയണി	A	2400
30	കലാപ്രേമി	A	2100
31	വേണാട് കൗമുദി	A	1700
32	പ്രദീപം	A	2600
33	ന്യൂസ് കേരള	A	2500
34	തുറന്ന കത്ത്	A	2000
35	തനിനിറം	A	2500
36	ഹിന്ദു		90000
37	ഇൻഡ്യൻ എക്സ്പ്രസ്സ്		89650
			6,79,725

Item No. VI (8) മീഡിയാമേറ്റ് അഡ്മിനിസ്ട്രേഷൻ ഏജൻസിയുടെ അതോറിറ്റി പാനലിൽ ഉൾപ്പെടുത്തണമെന്ന അപേക്ഷയെ സംബന്ധിച്ച്

Res. No. 7920 കേരള വാട്ടർ അതോറിറ്റിയിൽ നിലവിലുള്ള പരസ്യ ഏജൻസികളുടെ പാനലിൽ മീഡിയാമേറ്റ് അഡ്മിനിസ്ട്രേഷൻ ഏജൻസിയെക്കൂടി ഉൾപ്പെടുത്തുവാൻ തീരുമാനിച്ചിരിക്കുന്നു.

Item No. VI (9) മാതൃഭൂമി സംരംഭമായ ക്ലബ്ബ് എഫ്.എം. 94.3 - ൽ പരസ്യ പ്രക്ഷേപണത്തിനായുള്ള അപേക്ഷയെ സംബന്ധിച്ച് നീട്ടിവെച്ചിരിക്കുന്നു.

*Item No. VII (1) Supply of AC pipes of various sizes for the maintenance of Water Supply Schemes to Kerala Water Authority.*

Deferred

*Item No. VII (2) JBIC Assisted Kerala Water Supply Project – Kozhikode & adjoining villages – Package II B – Transmission Mains – Variations- approval*

**Res. No. 7921** The Authority discussed the variation proposals for the Package II B contract of Kozhikode in detail and resolved to approve an excess of Rs.135,49,714.00 based on the recommendation of the Consultants and Technical Committee. The break up of excess amount approved is as follows

1. Temporary Reinstatement of roads by providing quarry muck, packing with boulders etc = Rs. 27,14,260.00 (+)
2. Road Crossing by Trenchless method = 59,00,000.00(+)
3. Instrumentation, Mechanical and Electrical items in various Telemetry, and Rechlorination systems = 49,35,454.00(+)

The Authority also noted that with the present approval, the overall excess in Kozhikode Package II B contract will be 6,27,12,087.00 which is 5.31% over the contract sum of Rs. 118,02,83,904.00 as noted below.

**Overall excess as on Date:**

1.	Contract sum	:	118,02,83,904.00
2.	Enhancement in provisional sum already approved	:	9,90,00,000.00
3.	Excess approved already		
	a. P 6.1- Treated Water Transmission Mains	:	(-) 5,64,50,228.00
		:	(+) 53,83,102.00
		:	(+) 12,29,499.00
	b. P 6.4 - Pipe Bridges		
	c. P 6.5 - Booster Pumping Stations		
	<b>Total</b>	:	<b>(-) 4,98,37,627.00</b>
4.	Excess approval proposed now	:	135,49,714.00
5.	<b>Total Excess (2+3+4)</b>	:	<b>6,27,12,087.00</b>
6.	<b>Overall Percent Excess</b>	:	<b>5.31%</b>

*Item No. VII (3) JBIC Assisted Kerala Water Supply Project – Kozhikode and Adjoining villages – Package IV – Service Reservoirs – Time Extension*

**Res. No. 7922** The Authority discussed the agenda item in detail and noted that the time of completion of the Package IV works of Kozhikkode is recommended to be extended from 24.11.2008 to 31.12.2009 with sectional completion targets. As recommended by the Consultants and the Technical Committee, the Authority **resolved to accord approval to the proposal for extending the time of completion upto 31.12.2009 subject to the following terms and conditions.**

- 1. Delay in handing over of sites will be accounted while determining the proportionate work to be done in the first 12 months for purpose of calculation of price escalation. The 12 months period will be reduced by the delayed period, so that the handing over date will be deemed to be the date on which site is handed over free of encumbrances as mutually agreed and noted in the table. The delays due to design approval will also not be to contractor's account. But TECC shall report separately about the reasons for such delays.**
- 2. The time of completion will be as fixed and noted in the table for each reservoir. Subject to this, the over all time of completion will be extended upto 31.12.2009, L.D clause as per contract will apply if the works are not completed within the dates agreed for each component / reservoirs. However, a grace period of 2 months shall be allowed in calculating the liquidated damages for individual components provided that the contract completion is achieved before 31.12.2009**
- 3. The contractor will keep all insurances and guarantees validated upto the extended time period / warranty period without any extra cost to the Employer**
- 4. There shall not be any increase in the amounts agreed under 'General and Preliminaries' of the BoQ.**
- 5. A detailed work programme with Bar charts shall be given by the contractor through the Engineer to achieve the revised target dates of completion, before 31.12.2008.**

6. A supplemental agreement, incorporating the above terms and conditions shall be executed by the contractor within 15 days of granting the time extension, with such modifications as may be ordered by the Kerala Water Authority Board.

Regarding the proposal for removing the ceiling of 10% in price variation, the Authority further resolved to recommend the issue to the Empowered Committee in Government formed for JBIC Projects as a General issue for their consideration and appropriate decision.

*Item No. VII (4) JBIC Assisted Kerala Water Supply Project – Pattuvam and Adjoining Villages – Package IV – Service Reservoirs – Time Extension*

**Res. No. 7923** The Authority discussed the agenda item in detail and noted that the time of completion of the Package IV works of Pattuvam is recommended to be extended from 24.11.2008 to 30.11.2009 with sectional completion targets. As recommended by the Consultants and the Technical Committee, the Authority resolved to accord approval to the proposal for extending the time of completion upto 30.11.2009 subject to the following terms and conditions.

1. Delay in handing over of sites will be accounted while determining the proportionate work to be done in the first 12 months for purpose of calculation of price escalation. The 12 months period will be reduced by the delayed period, so that the handing over date will be deemed to be the date on which site is handed over free of encumbrances as mutually agreed and noted in the table. The delays due to design approval will also not be to Contractor's account. But TECC shall report separately about the reasons for such delays.
2. The time of completion will be as fixed and noted in the table for each reservoir. Subject to this, the over all time of completion will be extended upto 30.11.2009. L.D clause as per contract will apply if the works are not completed within the dates agreed for each component / reservoirs. However, a grace period of 2 months shall be allowed in calculating the liquidated damages for individual components provided that the

contract completion is achieved before 30.11.2009.

3. The contractor will keep all insurances and guarantees validated upto the extended time period / warranty period without any extra cost to the Employer
4. There shall not be any increase in the amounts agreed under 'General and Preliminaries' of the BoQ.
5. A detailed work programme with Bar charts shall be given by the contractor through the Engineer to achieve the revised target dates of completion, before 31.12.2008.
6. A supplemental agreement, incorporating the above terms and conditions shall be executed by the contractor within 15 days of granting the time extension, with such modifications as may be ordered by the Kerala Water Authority Board.

Regarding the proposal for removing the ceiling of 10% in price variation, the Authority further resolved to recommend the issue to the Empowered Committee in Government formed for JBIC Projects as a General issue for their consideration and appropriate decision.

*Item No. VII (5) JBIC Assisted Kerala Water Supply Project – Pressing demands from contractors to facilitate cash flow for achieving revised targets of completion – proposal moved*

**Res. No. 7924** The Authority considered the recommendations of the Technical Committee with respect of the conditions of Contract for all Packages in the JICA Project based on the suggestions of the PIU for improving the cash flow of the contractors. The Authority noted that all the contractors have made representations for varying some of the contractual clauses relating to the stringent payment terms and the liquidity grounds faced by them in the market situation.

The following are the recommendations of the Technical Committee which came up for consideration of the Board.

**A. For all contracts**

- i. Removal of the price escalation cap of 10% to allow for actual price escalation based on the formulae linked to

various indices published by Government of India, (formulae already specified in the contract).

- ii. Release of price escalation payments on quarterly basis
- iii. Release of retention money (5%) against equivalent Bank Guarantee valid up to the end of Defects Liability period
- iv. Release of additional 20% for supply of pipes and specials against equivalent Bank Guarantee, for future supplies as well as for already supplied pipes and specials that could not be laid.

**B. For P4 contracts only**

- i. Release of additional 5% amount of civil works retained for water tightness test, against equivalent Bank Guarantee valid upto the successful completion of water tightness test
- ii. To consider relaxing BG requirement for EPIL for the above said 5% payment towards water tightness test, in view of their Government of India status

The Technical Committee had noted that the suggestions amount to modification of the agreed contract conditions including terms of payment. Besides, the proposal for doing away with the ceiling on price escalation has financial implications. The contractors are at present eligible for price escalation on specified items subject to a ceiling of 10% of contract amount. But if the ceiling is lifted, escalation amount payable is likely to go up to 27% in the case of Package III and 30% in case of Package IV contracts (as per present assessment which is indicative only). For Package I & Package II contracts the additional commitment may not be that much pronounced and in many cases, to the exemption of one or two contracts the commitment will be within the specified 10% ceiling.

The Committee had also noted that even though there will be financial implications, the request of the contractors appeared to be genuine considering the phenomenal price increase during the last one year. Moreover, delays in works completion especially in Packages II, III and IV are attributable not only to the contractors but are to be shared by the Employer and Consultants also. The rise in prices of steel and cement have been beyond anybody's imagination as evidenced by the relevant price indices. The pace of progress is also affected by the slow down tactics adopted by the Contractors which can not be overlooked. In fact, a direct impact is visible on the project

progress as a whole. It became abundantly clear in the recent review meetings that unless urgent measures are taken to improve the cash flow of contractors, project completion might not be achieved as per the recently extended targets also.

After detailed discussions on various aspects of the proposal, the Authority **resolved to recommend to the Empowered Committee in Government the above proposals subject to the condition that the lifting of the ceiling on price escalation shall not be applicable to contracts for which formal time extension agreement have been executed already as all issues including escalation in cost had been thoroughly discussed and considered during negotiation and therefore need not be opened now.**

*Item No. VII (6) JBIC Assisted KWSP – Submission of Progress Reports*

The Authority noted the overall progress achieved for the JBIC projects especially in Kozhikkode and Pattuvam with displeasure. The Authority directed the Managing Director to take urgent necessary action to overcome the pending critical issues so that the schemes can be commissioned as targeted.

*Item No. VII (7) Implementation of SPAN-NABARD assisted Project –WSS to Irumbilium-Valanchery Panchayat(Package III)-Supplying and laying distribution system-Tender*

**Res. No. 7925** The Authority noted that this item relates to the Implementation of SPAN-NABARD assisted Project. After discussions the Authority **resolved to accept the only single offer received for the work of WSS to Irumbilium-Valanchery Panchayat(Package III)-Supplying and laying distribution system from Sri. K. Muhammed Rasheed for an amount of Rs. 154,70,000.00 which is 30% above the tendered PAC of Rs. 119,00,000.00.**

*Item No. VII (8) Energy conservation measures such as replacement of absolute old pump and motor-BWSS-Supply, erection and commissioning of 1 No. 65 HP centrifugal pump set in Booster house at Veeranchery--Tender*

Deferred.

*Item No. VII (9) NC/PC – Improvements of RWSS to Elanji – Laying Distribution system for the zone IV – Supplying and laying - Sanction*

Deferred.

*Item No. VII (10) CMG/TWSS – Maintenance of Dam shutter and dispersal valve at Peppara – Quotation - Sanction*

**Res. No. 7926** The Authority noted the circumstances under which the urgent repairs has to be done to the dam shutters and dispersal valve at Peppara and **resolved to approve the quotation of M/s. Technofab, Kochi for Rs. 8.35 lakhs for maintenance of Dam shutter and dispersal valve at Peppara**

*Item No. VII (11) Tsunami relief works - Improving WS to Palluruthy zone - Supplying, laying, testing and commissioning of 300mm DI (K9) pipe and 160mm to 63mm PVC pipe and allied works*

**Res. No. 7927** The Authority discussed the item and **resolved to sanction for awarding the work of Improving WS to Palluruthy zone - Supplying, laying, testing and commissioning of 300mm DI (K9) pipe and 160mm to 63mm PVC pipe and allied works to the lowest tenderer, Sri.K.O.Jose at his negotiated amount of Rs. 4,97,25,550/- which is at an overall excess of 79.49% above the tendered PAC of Rs. 2,77,04,233/-.**

*Item No. VII (12) ADB Assisted TEAP - Replacing 700m premo pumping main by supplying and laying with 700mm dia BWSC pipes from Naval Base Travancore Gate to Bristow road - Liquidated damages*

**Res. No. 7928** The Managing Director informed the Authority that the contractor M/s. Indian Hume Pipe Co. Ltd. Coimbatore could not complete the work as per the agreement conditions due to the restrictions imposed by the local authorities in blockage of traffic/imposition of constrains in traffic. Even the contractor was not allowed to execute the work during some period. Because of these reasons liquidated damage has been imposed for the firm while making payment. A total of Rs. 16.24 lakhs has been recovered as L/D. Now the firm had requested to waive the L/D as the delay occurred was purely on the restrictions imposed by the local bodies/District Collector. The Authority discussed the item in detail and **resolved to waive the liquidated damage of Rs. 16.24 lakhs imposed on the firm M/s. Indian Hume Pipe Co. Ltd. Coimbatore as per clause 8.9.1 of NIT after imposing a token fine of Rs. 15,000.00 and to release the amount recovered.**

*Item No. VII (13) KWA Revenue – Issues related to water charges of Raj Bhavan, Thiruvananthapuram and Kowdiar Palace – Settlement of arrears – Proposals.*

**Res. No. 7929** This item relates to settlement of arrears of water charges of

Rajbhavan and Kowdiar Palace at Trivandrum. After detailed discussion the Authority resolved

1. to waive amounts outstanding against Con. No. KDG/58/D and KDG/92/D treating these connections as disconnected on May 1999 and August 1999 respectively and to remove the connections from the database of Kerala Water Authority.
2. (a) to waive the arrears of water charges in respect of consumer numbers (KDG/37/N and KDG/34/N) for the period prior to the demise of H.H. Sri. Chithirathirunal Maharaja on 20<sup>th</sup> July 1991, based on the covenant and the letters aforesaid.
  - (b) The Palace Secretary is to replace the defunct water meters and the water charges will be back assessed based on the meter readings taken during three subsequent months.
  - (c) To write-off the arrears outstanding against the other six unidentified connections in respect of Con.No. KDG/29/N, KDG/32/N, KDG/33/N, KDG/35/D, KDG/36/D, KDG/38/D, and to remove them from Kerala Water Authority database. The amount to be waived is Rs.2,09,119/-.
  - (d) To claim the water charges in respect of the water supply to Palace Hospital in respect of Con.No. KDG/28/N, from the Palace Secretary after ascertaining the position of payment of power charges.

*Item No. VII (14) One time Settlement of water charges dues from Local Self Government's-Proposals furnished to Government – Rectification of action – Proposals*

The Managing Director informed the Authority that a meeting of the Ministerial Subcommittee comprising of the Hon. Ministers for Finance, LSGD, Electricity and Water Resources is proposed to be held on 24<sup>th</sup> of this month to discuss this issue. The Authority directed the Managing Director to prepare and submit an assenting list of Local Bodies from where arrears are due to Kerala Water Authority so as to take appropriate action. The Authority reiterated that Kerala Water Authority shall issue monthly/bimonthly bills to all local bodies and establishments coming under Government for making payments.

*Item No. VII (15) Misappropriation - Unauthorised stock of pipes at KWA*

Deferred.

*Item No. VII (16) Estt - Appointment of Assistant Engineer through PSC - Harikumar.A.R -Request for extension of joining time*

**Res. No. 7930** Considering the request the Authority resolved to allow 90 days of joining time to Sri. Harikumar. A. R., appointed as Assistant Engineer through Public Service Commission subject to the condition that he shall lose all his claims on the seniority over his juniors in the list.

*Item No. VII (17) Estt - Revision of pension and other related benefits- Revision of Ex-gratia Pension*

Deferred.

*Item No. VII (18) Estt-Higher Grade to Overseer Grade III and D'man Grade II*

Deferred.

*Item No. VII (19) Estt – Referendum in the Kerala Water Authority for minimizing the number of Trade Unions*

Deferred

*Item No. VII (20) Request for display Advertisement from Sri.Rajendran, Chief Editor, Trade Union Monthly Journal*

**Res. No. 7931** The Authority resolved to release an ordinary full page advertisement amounting to Rs. 10000/- and to make payment to the Trade Union monthly journal.

*Item No. VII (21) Pre-delivery inspection done for the pipes used for the Azhikode WSS in Kannur District – Details furnishing of*

Deferred

*Item No. VII (22) ARWSS to Kallara Pangode villages and ARWSS to Panavoor, Pullampara and Vembayam panchayats -- Supplying and laying, joining and commissioning of 400 mm CI class B Raw water pumping main from Aruvippuram well cum pump house to water treatment plant at Tengincode –Tender sanction*

**Res. No. 7932** The Authority discussed the agenda in detail and also noted the variation in the estimates prepared for the work 2004 SoR and 2008 SoR. The estimate prepared with 2008 SoR is less than the estimate prepared with 2004 SoR even though there is considerable increase in all rates in 2008 SoR over 2004 SoR. This shows that there is some basic problem in the estimation. The Authority directed the Technical Member to verify the estimates on ground realities and a realistic estimate prepared

through a separate team within one weeks time. The Authority also observed that in the tender invited earlier with the estimate prepared with 2004 SoR, where the estimate amount was Rs. 3,44,82,640.00 the tender received was for Rs. 4,64,53,000.00. However in the re-tender invited with estimate prepared as prepared with 2008 SoR where the estimate amount is Rs. 2,74,35,217.00 is for Rs. 7,88,24,950.00. The offers received for the two tenders was from the same contractor. The reason for this high variation in quoting also requires investigation. Hence the Authority directed the Managing Director to study the matter in detail and submit a report for its consideration. With the above remarks the Authority **resolved to cancel the tender and re-tender the work based on the estimate to be prepared by the Technical Member.**

*General Item*

The Authority noted that the SoR now issued by the Government is purely based on the request and recommendation of the PWD. The works related to Kerala Water Authority varies, from that of the work connected with PWD. Because of this the percentage of rates offered over the estimated rate by the contractors are very high. Hence the Authority directed the Managing Director that Kerala Water Authority shall submit its recommendation on the rates specified in the SoR from the coming year onwards so that the offering of the higher rates of the contractors will be curtailed.



SECRETARY



MANAGING DIRECTOR



CHAIRMAN