

**Minutes of the 4<sup>th</sup> State Level High Powered Steering Committee (SHPSC) of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) held on 11<sup>th</sup> August 2016 at 10.00 am in the Committee Room of the Chief Secretary, Government of Kerala.**

**Members Present:**

1. Sri K M Abraham IAS, Additional Chief Secretary, Finance
2. Sri. V S Senthil IAS, Additional Chief Secretary, Planning & Economic Affairs Department.
3. Sri. T K Jose IAS, Principal Secretary, Local Self Government Department
4. Dr. V K Baby IAS, Special Secretary, Local Self Government Department & Mission Director AMRUT
5. Sri. P S Mohammed Sagir IAS, Project Director, Kerala Sustainable Urban Development Project & Nodal Officer, AMRUT
6. Dr. K Vasuki IAS, Executive Director, Suchitwa Mission
7. Sri. Saji Kumar P R, Chief Engineer, Local Self Government Department.
8. Sri. Raveendran T, Technical Member, Kerala Water Authority
9. Sri. Shaji Joseph, Chief Town Planner ( Planning)
10. Sri. Binu Francis, Programme Officer, Kudumbashree Mission

The meeting of State Level High Powered Steering Committee (SHPSC) of AMRUT chaired by Sri. S.M. Vijayanand IAS, Chief Secretary, Government of Kerala, commenced at 10.00 am.

**1. Approval of the Minutes of the 3<sup>rd</sup> SHPSC meeting**

The SHPSC approved the minutes of the 3<sup>rd</sup> Committee meeting held on 4.07.2016

**2. Action taken report on the Minutes of the 3<sup>rd</sup> SHPSC.**

**2.1 Selection of Project Development and Management Consultant (PDMC) for AMRUT.**

It was informed to the SHPSC that WAPCOS has submitted the list of personnel they would be deploying for the AMRUT cities. As some changes were noticed in the Key Personnel previously committed and those in their new submission, SHPSC decided that the new CV's of Key Personnel submitted by WAPCOS be checked against those of their previous submission. A comparative scoring sheet may be developed to evaluate the CVs against the specific qualification and experience stated in the Request for Proposal. It was suggested that, the cumulative score for the HR component on re-evaluation should not be lesser than the scoring for HR component obtained by the "WAPCOS-OASIS" consortium during their initial technical evaluation.

Action By	Monitoring By	Time Limit
PDMC Consultant Selection Committee	Nodal Officer & Mission Director, AMRUT	20.08.2016



## 2.2 Role Clarity of implementing agencies.

The SHPSC discussed on the status of various projects implemented through KWA under JnNURM, UIDSSMT and KSUDP. The Principal Secretary, LSGD brought to the notice of the committee that the projects implemented through KWA have miserably failed in achieving targeted output and timely completion and hence has led to cost overrun and loss of funds. It shall not be allowed to repeat in AMRUT. All possible precautions need to be made into the implementation of projects in AMRUT.

After detailed discussions and hearing the representatives of KWA, the SHPSC took following decisions;

- i. To constitute a separate vertical in KWA to implement the projects under Water supply. This vertical would be responsible for the project implementation, status monitoring at regular interval & its accounting both in terms of time and cost over-runs under AMRUT. A time line for the projects implementation shall be charted out by the PIU. Cost over run shall be borne fully by KWA. Also there shall be penalty for delay.
- ii. A tripartite agreement to be made between the Urban Local Government, Mission Director and KWA. The Terms of Reference in the agreement should include, scope of works for each project including its deliverables, time duration, cost specification, O&M procedures, expected impact on the town/city, improvement in coverage quality and service levels & additional number of piped connections during the operational phase of the project.
- iii. In case of water supply, bulk metering at ULB level shall be mandatory.
- iv. Payment to KWA will be effected subject to the concurrence/clearance on satisfactory performance and accomplishing agreed deliverables as per the contract.
- v. Cost escalation to be fully met by KWA.
- vi. Technical Member of KWA Sri. T. Raveendran would be personally responsible for the implementation of the Projects under AMRUT by KWA.

SHPSC also suggested the need for a regulatory authority in water supply sector to bench mark and monitor the performance of water supply projects and cost factors of KWA as a service delivery utility.

It was also decided to constitute a Committee under the Chief Secretary to discuss the above matters. The members in the Committee are

- Additional Chief Secretary (Finance)
- Additional Chief Secretary (Water Resources)



- Additional Chief Secretary (Planning & Economic Affairs)
- Principal Secretary, LSGD
- Special Secretary, LSGD & Mission Director, AMRUT

Action By	Monitoring By	Time Limit
Principal Secretary, LSGD	SHPSC AMRUT	27.08.2016

The Principal Secretary, LSGD asked the representatives of KWA whether they have experience and dedicated team to develop, design and implement Sewerage projects.

To this the Technical Member, KWA replied that at present they don't have such a team to develop, design and implement traditional sewerage projects. The Committee discussed the possibilities of implementing decentralised Sewerage/ Septage projects by the Local Government themselves through competitive bidding process or as EPC where KWA can also participate with a third party certification.

Additional Chief Secretary (Planning & Economic Affairs) suggested to explore the formulation of an SPV to implement projects under Sewerage and Septage. The SPV may support local governments to hire consultants to design the projects as per their local need and implement the same through national competitive EPC bidding.

### 2.3 Reforms to be initiated under AMRUT

The SHPSC deliberated on the reform activities to be achieved under AMRUT. It was observed that the many of the reforms have already been achieved in the State under the decentralized planning and Gol supported programmes including JnNURM. The committee also noted the new reforms that are proposed under AMRUT and suggested that the guidelines for Performance Grant of the 14th Financial Commission should be taken as a baseline for these reforms, which will serve as the minimum requirement.

The SHPSC directed the State Mission Management Unit to initiate the process for accomplishing milestones of the reforms to be addressed at the State level .

Action By	Monitoring By	Time Limit
State Mission Management Unit	Nodal Officer, AMRUT	31-03-2017

The SHPSC discussed the note on reforms prepared in Malayalam and suggested that it should be reworked by identifying those to be accomplished at State/ Central and local levels. More over the language style and presentation in the Malayalam handout needs to be corrected, neatly edited and presented properly .

The reforms to be achieved at local level shall be detailed indicating the process and approach, miles stones, expected impact and timeline. It was decided that the Mission Management Unit shall present the reforms in detail to the council of AMRUT cities. The same should be backed by a resolution by the councils to adhere to the reform requirements, both on time and cost terms.

### 3. Service Level Improvement Plans- 2016-17

The consolidated Service Level Improvement Plans (SLIPs) of the Mission Cities were presented to the SHPSC. The committee deliberated on approach and methodology adopted for the SLIP preparation for various sectors. The SLIPs prepared for Water Supply and Sewerage/ Septage management in Thiruvananthapuram Corporation were presented to the Committee.

Mission Director pointed out that, most of the projects proposed under water supply are aimed at improving the efficiency of existing services rather than extending the coverage.

#### City wise- Sector wise project outlay for achieving the benchmark

(Amnt in Rs Cr)

City	Water Supply	Sewerage	Storm Water Drainage	Urban Transport	Open spaces & parks	TOTAL
TVM	568.00	1361.15	292.00	106.99	25.00	2353.14
KLM	417.00	525.00	46.80	84.00	35.00	1107.80
ALP	241.20	10.00	250.00	136.50	28.00	665.70
COC	44.50	905.00	655.00	251.00	5.00	1860.50
TCR	208.45	120.00	100.00	55.00	62.50	545.95
GVYR	174.50	31.00	166.07	56.42	13.50	441.49
PKD	210.50	216.00	117.00	342.35	128.55	1014.40
KKD	150.00	773.00	250.00	150.00	15.00	1338.00
KNR	203.00	200.00	100.00	19.50	11.00	533.50
<b>TOTAL</b>	<b>2217.15</b>	<b>4141.15</b>	<b>1976.87</b>	<b>1201.76</b>	<b>323.55</b>	<b>9860.48</b>

The SHPSC took note of the project demand and estimated cost for achieving the Service Level Benchmarks in various sectors in the mission cities. The committee discussed about the need for dovetailing various infrastructure projects to improve the efficiency of services in next 10 years.

Principal Secretary ( LSGD) pointed out that rather than <sup>taking</sup> take small piece meal works under water supply and sewerage under AMRUT, each project shall be taken in such <sup>a way</sup> that measurable quantitative and qualitative improvements in Service delivery <sup>is ensured.</sup> is ensured. ^

### 4. State Annual Action Plan 2016-17

The SHPSC noted that the total Central Allocation to the State under AMRUT during the Mission period (2015-16 to 2019-20) is Rs.1161.20 Cr. The State and the Mission cities together have to put in a matching share. Hence the total outlay under AMRUT mission is Rs.2333.92 Cr over a period of 5 years.



The Approved Central Allocation in 2015-16 is Rs 287.98 Cr and the approved SAAP is for Rs 587.48 Cr, the amount released is Rs 57.60 Cr ( 20% of SAAP). The tentative allocation for 2016-17 is Rs 386.40 Cr for which State has to submit the SAAP for Rs 772.80 Cr. while the proposed Central Allocation for 2017-18 is Rs 486.82 Cr

Vide GO(Rt) No 271/2016/LSGD dtd 25/1/16 the fund sharing pattern between the State and the ULB is 30:20. Hence the State Share and ULB share in the SAAP 2016-17 is Rs 231.84 Cr and Rs 154.46 Cr respectively. The Additional Chief Secretary (Finance) pointed out that the Municipalities may not be in a position to contribute their 20% share in implementing AMRUT projects. He suggested to include some of the eligible components in the Kerala Infrastructure Invest Board (KIIB).

### Proposed City wise Sector wise Fund Distribution under SAAP 2016-17

(Amount in Rs Cr)

SLN	Name of City	Water Supply	Sewerage & Septage Managemene	Drainage	Urban Transport	Green Spaces	Total as per Amount as per SAAP
1	Thiruvananthapuram	29.04	51.00	19.09	11.00	2.25	112.38
2	Kollam	34.07	24.93	15.00	7.44	1.66	83.10
3	Alappuzha	44.24	10.00	12.99	7.64	1.53	76.40
4	Kochi	42.50	30.78	17.44	10.26	2.05	103.03
5	Thrissur	36.08	26.40	14.96	9.00	1.76	88.20
6	Guruvayur	29.07	21.27	0.14	19.00	1.42	70.90
7	Palakkad	30.87	22.59	12.80	7.53	1.51	75.30
8	Kozhikode	31.83	27.03	15.32	14.12	2.50	90.80
9	Kannur	30.38	22.23	12.60	7.41	1.48	74.10
#	<b>Total</b>	<b>308.08</b>	<b>236.23</b>	<b>120.34</b>	<b>93.20</b>	<b>16.16</b>	<b>774.01</b>

4.1. The SHPSC decided that the State would contribute the required 20% share of the Local Governments under following project category

- Water Supply
- Sewerage - Decentralized Sewerage systems ( in the campuses of medical colleges, Hospitals, public buildings etc)
- Septage Management in Aleppey , Kochi and coastal areas of Kollam and Kozhikode
- Urban Transport ( Non Motorised Transport systems) – Pedestrian walk ways, Bus bays, foot over bridge

4.2 Local Governments have to contribute theirs share for projects under

- Storm Water Drainage
- Bus Procurement, Multilevel car parking
- Parks and Open spaces.

Action By	Monitoring By	Time Limit
Mission Director, AMRUT	SHPSC, AMRUT	20-09-2016

5. The SHPSC decided to focus mainly on the water supply projects, aiming at inclusive coverage, improving the quantity and quality of water supplied, reduce NRW, and to promote Rain Water Harvesting & water re-use. The committee observed that the projects proposed under the SAAP are partial in nature. Hence the committee suggested to consider the allocation for the years 2016-17 and 2017-18, while conceiving the projects for water supply and sewerage projects and to phase the components across the years. Thus to plan for large scale projects covering all components under water supply systems and sewerage and to complete the implementation of the project within the project period. For this purpose a clear tripartite agreement between Mission City , KWA and Mission Director, shall be signed.

Action By	Monitoring By	Time Limit
Mission Cities	Nodal Officer	19-08-2016

The ownership of the project shall be with ULB and KWA shall confirm Service Level benchmark, Service quality and performance in the tripartite agreement. For renovation/ improvement of existing schemes, the availability of water at Source, Capacity of the Water Treatment Plant (WTP), capacity of the network from source to the WTP , existing distribution network, quantity and quality of water provided for beneficiaries shall be ensured by KWA and incorporated in the agreement. Also, projects under AMRUT, bulk metering of treated, safe drinking water shall be made compulsory and increase in revenue with the new addition supply/coverage shall also be incorporated in the agreement.

Time bound action plan for implementation along with penalty and fine for delayed completion and cost over run due to time over run shall be responsibility of KWA and these clauses to be part of the tripartite agreement. Therefore the projects proposed are to be implementable and should have substantial improvement in the service level. Further, KWA to present the proposed projects along with its specific impacts on service level, implementation plan with sub plans and mile stones to be achieved, and time frame to achieve in the Councils of the Mission cities for their concurrence.

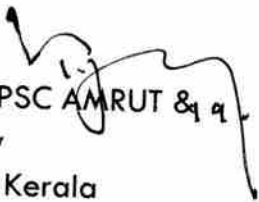
On the basis of the above decisions , the Committee entrusted the Principal Secretary, LSGD to hold a joint meeting of the Mayors/Chairpersons & officials of the AMRUT mission cities and KWA , to rework and finalise the projects in SAAP 2016-17, on 16<sup>th</sup> August 2016 at Kochi.. Hence it is decided to have a one day workshop at the conference hall of GCDA.

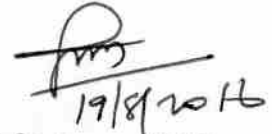
6. It is decided to consider the revised- SAAP 2016-17 in the SHPSC scheduled on 19<sup>th</sup> August 2016.


**7. Administrative Sanctions ( AS) of the projects proposed under SAAP 2015-16**  
DPRs of 18 projects were submitted to the SHPSC for consideration to accord AS. The Committee observed that the projects proposed are partial in nature and hence it was decided to consider in the next meeting after incorporating the suggested improvements.

8. In case of projects proposed under sewerage in Trivandrum , it is decided to prepare stand alone ,self contained sewerage Treatment Plant and waster water recycling plant for the Medical College Trivandrum, SAT Hospital, SCTIMST and RCC. These four institutions together are located in same campus and hence self contained decentralised projects would be ideal for timely completion and operation. If we link it with existing sewerage network it will not get completed during the time period of AMRUT ( based on JNNURM/KSUDP experiences in Trivandrum). Hence decided to take up in-situ, modern , self contained sewerage and waste water treatment plants exclusively for the above 4 institutions and allied institutions, buildings, quarters within the campus.

The meeting concluded at 12.30 pm.

  
Chairman – SHPSC AMRUT & q. p. 11  
Chief Secretary  
Government of Kerala

  
19/8/2016  
Principal Sectary, LSGD

  
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