



ABSTRACT

TNUDP III – Implementation of Under Ground Sewerage Scheme in Dindigul Municipality – Revised administrative sanction and sanction of Additional Grant – Orders – issued.

MUNICIPAL ADMINISTRATION AND WATER SUPPLY (MA2) DEPARTMENT

G.O.(D).No. 554

Dated: 30 .12.2009
Read:

1. G.O (D) No.400, MAWS (MA3) Dept dated 23.9.2005.
2. Letter from the Director of Municipal Administration Letter Roc. No.43000/2000/ UGSS1, dated 14.12.2009

ORDER:

In the G.O first read above, administrative sanction has been accorded for implementation of Under Ground Sewerage Scheme to Dindigul Municipality at an estimated cost of Rs. 23.76 crore.

2. In the letter second read above, the Director of Municipal Administration has stated that the Under Ground Sewerage Scheme for Dindigul Municipality was taken up for implementation with the Administrative Sanction of the Government accorded in G.O. (D) No.400 Municipal Administration and Water Supply Department, Dated. 23.09.2005 at an estimate cost of Rs. 23.76 crore. The Scheme was taken up for implementation by the ULB itself with the assistance of Project Management Consultant appointed by the office of the Director of Municipal Administration under PPF. The scheme is taken up for implementation in 3 Packages i.e., Package 1 and 2 for Collection system and Package 3 for STP with Activated Sludge Process (ASP) instead of the Waste Stabilization pond Technology (WSP) sanctioned originally. He has furnished the following reasons for escalation of project cost:

1. There was no response for the first three calls invited by the Municipality.
2. As the estimate was prepared based on the 2004 – 2005 schedule of rates and revision was warranted because of the revision of further period of three years which resulted in enhanced project cost.
3. Due to change in location of the Pumping Station a allocate public objection.
4. Due to tender excess both in Collection System and Sewerage Treatment Plant bids.

5. Due to increase in payment to Highways Department and Road Restoration charges.
 6. To include the claim of the contractor based on the price variation clause provided in the agreement.
3. The Director of Municipal Administration has also stated that the proposed scheme is to be implemented under TNUDP-III with the revised financial tie up as follows:

	(Rs. in crore)	Percentage
TNUDP III Grant	7.13	15.74%
Local body's contribution & Public contribution	6.56	14.50%
Additional Grant	22.88	50.52%
Loan	8.72	19.24%
Interest During Construction	0.86	
Total project cost	46.15	100%

4. The Director of Municipal Administration has stated that the Municipal Council has resolved in its Resolution No.1640 dated.30.11.2009 to adopt the revised funding pattern as above and after completion of the scheme the local body will maintain the scheme. The possibility for privatization will be explored including recycling of treated wastewater for industrial use.

5. The Director of Municipal Administration has recommended the revised proposal for the implementation of comprehensive sewerage scheme for Dindigul Municipality at an estimated cost of Rs.45.29 crore to install and Rs.1.11 crore to maintain annually for the present population and decided to go in for the revised financial assistance as recommended by the TNUDF. The Director of Municipal Administration has also stated that the proposal has been approved by the 7th meeting of the State Level Project Sanctioning Committee (SLPSC) held on 17.11.2009 and recommended to the Government for according Revised Administrative Sanction with the above funding pattern and Financial Operating Plan (FOP).

6. The Director of Municipal Administration has requested the Government to accord the Revised Administrative Sanction for the implementation of Under Ground Sewerage project in Dindigul Municipality at an estimated cost of Rs. 45.29 crore to install and Rs.1.11 crore to maintain annually and to sanction an additional grant of Rs. 22.88 crore in relaxation of the Grant Fund guidelines considering the poor financial status of the Municipality.

7. The Government have carefully examined the proposal of the Director of Municipal Administration and the recommendation of the 7th State level Project Sanctioning Committee (SLPSC) and hereby accord the Revised Administrative Sanction for the implementation of the Under Ground Sewerage project in Dindigul Municipality at an estimated cost of Rs. 45.29 crore to install and Rs.1.11

crore to maintain annually and to sanction an additional grant of Rs. 22.88 crore under Grant Fund I of TNUDP III in relaxation of the Grant Fund I Guidelines.

(BY ORDER OF THE GOVERNOR)

**NIRANJAN MARDI,
SECRETARY TO GOVERNMENT.**

To

The Director of Municipal Administration, Chennai – 600 005.

The Managing Director and Chief Executive Officer,

Tamil Nadu Urban Infrastructure Financial Services Limited, T. Nagar, Chennai – 17.

The Managing Director, Tamil Nadu Water Supply and Drainage Board, Chennai – 600 005.

The Commissioner, Dindigul Municipality. (Through Director of Municipal Administration)

The Pay and Accounts Officer, Chennai – 9/35.

The Accountant General Officer (Audit) Chennai – 18/35.

The Resident Audit Officer, PAO, Chennai -9

Copy to:

The Finance Department, Chennai -9

The Senior Personal Assistant to Minister(Fin) Chennai-9

The Senior Personal Assistant to Deputy Chief Minister, Chennai -9

The Personal Secretary to Secretary, MA&WS, Dept., Chennai -9

SF/SC

/ Forwarded by Order/

SECTION OFFICER