



ABSTRACT

Tamil Nadu Urban Road Infrastructure Project (TURIP) – Implementation in Corporation and Municipal areas - Orders issued.

Municipal Administration and Water Supply (MA3) Department

G.O.(Ms.)No. 235

Dated : 27.11.2008

Read :

1. Govt D.O.Letter No.28741/MA3/2008-1 dated 11.08.2008
2. From the Managing Director & Chief Executive Officer, Tamil Nadu Urban Infrastructure Financial Services Limited Letter No. TNUIFSL/TURIP/003 dated 27.08.2008
3. From the Managing Director & Chief Executive Officer, Tamil Nadu Urban Infrastructure Financial Services Limited Letter No. J-11019/16/2002-NRCD –II, dated 01.9.2008.

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ORDER:

While presenting the Budget for 2008 - 2009, the Hon'ble Minister for Finance, inter-alia, made the following announcement :

“With a view to upgrading the urban roads in the State to International standards, a massive scheme called “Tamil Nadu Urban Roads Development Project” will be implemented from the coming financial year. Under this scheme, in addition to improving all roads in our Municipal Corporations and Municipalities, they will be provided with pavements, storm water drainage and provision for laying pipes under them. In its first phase, this scheme will cover the roads in Chennai City. Trichy, Tirunelveli, Tiruppur and Madurai Municipal Corporations, and Alandur, Mayiladuthurai, Karur, Inam Karur, Kumbakonam, Thanjavur and Valasaravakkam Municipalities, where the Under Ground Sewerage Schemes have already been completed. This Scheme will be implemented

at an estimated cost of Rs.1,000 crores per annum and it will have multiple sources of financing which includes Rs.147 crores of arrears of devolution from the State Government, a portion from the assigned revenue payable to Municipal Corporations and Municipalities on account of surcharge on stamp duty and bonds which will be issued by the Tamil Nadu Urban Road Infrastructure Fund (TURIF)”

2. In his letter third read above the Managing Director & Chief Executive Officer Tamil Nadu Urban Infrastructure Financial Services Limited, after holding detailed consultations with the Commissioner of Municipal Administration, has submitted a proposal to Government for implementing the Tamil Nadu Urban Road Infrastructure Project (TURIP).

3. The Government have carefully examined the proposals and they order as follows:-

i) The Project by name “Tamil Nadu Urban Road Infrastructure Project “(TURIP) be implemented from the financial year 2008-09 to improve the urban road infrastructure and to maintain the network of roads constructed under the Project.

ii) In order to implement the Project, a separate non-lapsable Fund named “the Tamil Nadu Urban Road Infrastructure Fund (TURIF)” shall be created. The Fund may have multiple sources of financing, such as, a portion from the assigned revenue payable to Municipal Corporations and Municipalities on account of surcharge on stamp duty, a portion of devolution due to Corporations and Municipalities, proceeds from issue of bonds and other market borrowings by the Fund, and any other sources as may be decided by the Government from time to time;

iii) Orders regarding drawal of the arrears of devolution payable to Corporations and Municipalities amounting to Rs.147 crores to the Tamil Nadu Urban Road Infrastructure Fund (TURIF) for implementation of the Project will be issued separately.

iv) The Tamil Nadu Urban Road Infrastructure Project (TURIP) shall be implemented by the Commissioner of Municipal Administration by following the detailed procedures and guidelines laid down in the Annexure to this order.

v) The Tamil Nadu Urban Infrastructure Financial Services Limited shall act as the ‘ Fund Manager’ of TURIF and the service charges payable to Tamil Nadu Urban Infrastructure Financial Services Limited for managing the Fund shall be determined by the Government, separately.

vi) In order to enable the Government to apportion the quantum from the assigned revenue on account of surcharge on stamp duty, the Government will bring in necessary amendment to the various Corporation Acts and the Tamil Nadu District Municipalities Act, 1920 and also enact a suitable legislation.

vii) The Commissioner of Municipal Administration is directed to take necessary steps to implement the Project successfully. The Commissioner of Municipal Administration is also authorised to issue necessary further clarifications / supplementary procedures in addition to the procedures /guidelines to operationalise the Govt order.

3. This order issues with the concurrence of Finance Department vide its U.O.No. 3335/PS/P/08, dated 24.11. 2008.

(BY ORDER OF THE GOVERNOR)

**NIRANJAN MARDI
SECRETARY TO GOVERNMENT.**

To

The Managing Director & Chief Executive Officer ,Tamil Nadu Urban Infrastructure Financial Services Limited ,Chennai

The Director of Municipal Administration, Chennai-600 005.

Managing Director, Tamil Nadu Water Supply and Drainage Board (TWAD), Chennai – 600 005

Managing Director, Chennai Metro Water Supply and Sewerage Board (CMWSSB), Chennai – 600 002.

Chairman, Tamil Nadu Electricity Board (TNEB), Chennai

Chief Engineer, Highways Department, Chennai – 600 005.

Commissioner of Land Administration, (Revenue Department)

Chief Engineer, Public Works Department-Water

Resource Orgn, Chennai – 600 005

Commissioner, Corporation of Chennai, Chennai-600 003.

General Manager, Bharat Sanchar Nigam Limited.

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

The Accountant General Office(Audit) Chennai –18,35.

Copy to :

The Finance Dept., Chennai – 9

The Secretary to C.M., O/o C.M., Chennai – 9

The Senior Personal Assistant to Honourable C.M. Chennai – 9

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

The Senior Personal Assistant to Minister (RD&LA) Chennai – 9

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

SF/SC

//Forwarded by order//

SECTION OFFICER.

L.Radha
Under Secretary to Government.

ANNEXURE

Tamil Nadu Urban Road Infrastructure Project – Procedures & Guidelines

I.Preamble:

1. Tamil Nadu is one of the most urbanised states in the country with about 44% of the population residing in urban areas. The rate of growth of urban population has been in the order of 4.2% p.a. between 1991 and 2001. The urbanisation level is expected to go beyond 60% in the next decade. The total vehicle population in Tamil Nadu is about 82.22 lacs till March 2006 and is expected to increase at the rate of 10% p.a. Tamil Nadu has a total of 719 Urban Local Bodies, which maintain over 31600 kms. of roads, of which around 3000 kms are owned by the Corporation of Chennai. There has been a huge investment in repairs and maintenance, which has not been based on scientific assessment through a need-based study, leading to creation of non-durable assets.

2. Evidently, there is a need to qualitatively improve roads, but it has not been feasible so far owing to the need for large scale quality improvements which urban local bodies can hardly afford. Hence, the problems require a different approach from the one followed till now.

3. One such approach is to provide proper urban road design, meeting functional and mobility requirements of vehicles and road users such as pedestrians etc. Such a design will go a long way towards ensuring durable service for all seasons, coupled with aesthetic environment.

4. Hence in order to overcome the problems faced by the public in the Urban Local Bodies, the Government of Tamil Nadu proposes to enhance the quality of roads by providing adequately designed roads with appropriate road furniture, ducting and proper storm water drainage systems, etc. Against this background, Hon'ble Finance Minister while presenting the budget for 2008-09, announced in the floor of Legislative Assembly, the implementation of a new project called "The Tamil Nadu Urban Road Infrastructure Project" (TURIP). The Project objectives, procedures and guidelines are given below.

II. Project Objectives:

5. Broadly, the objective of this project is to -

- Develop a sustainable urban road infrastructure, with proper storm water drainage, ducting and road furniture in the Urban Local Bodies, in a phased manner.
- Funding urban road infrastructure in Tamil Nadu
- Implement the project through a dedicated non-lapsable fund, namely, the TURIF (Tamil Nadu Urban Road Infrastructure Fund)
- Maintain the asset created under this project

III. Project Features:

6. The unique features of the project are proposed to be the following–

- A permanent sustainable asset creation withstanding all seasons
- 100% coverage within towns
- Designs based on scientific assessment of needs
- Integrated approach by providing comprehensive road furniture in all roads, including ducting wherever feasible
- Environmental protection by providing green cover along the road sides and road side parks, wherever possible
- Maintenance of roads for 5 years immediately on construction combined with construction contract
- Geographical Information System (GIS) mapping of the assets created under the project

IV. Project Components:

7. The project components include–

- Developing an integrated City Road Plan (CRP)
- Qualitative upgradation of the urban roads
- Usage of latest technology for design and execution of works, which ensures quality as well as speedy completion
- Digitize the entire assets created using GIS technologies.
- Develop uniform, user-friendly road signage system
- Provision of Storm water drains, signages, and other provisions like ducting, street furniture, avenue plantation, barrier-free pavements and guard rails, wherever feasible.
- Provide road-side parks, wherever possible
- Provide all required infrastructure for bus route roads, arterial roads and market areas.
- All other infrastructure going under the ground, such as water / sewerage pipes, as well as cables for electricity, telephones, cable networks, etc. shall be comprehensively addressed during the project, so that ducts are provided and cables are laid during execution of the project itself, with specific reference to district head quarters.
- Institutional capacity building
- Identify places wherever foot-over bridges or subways can be provided for pedestrians, to be taken up in subsequent phases.
- The project shall identify roads that can be widened; however, wherever widening of roads involves land acquisition, the same will not be taken up in the current project phase.
- Other urban transportation infrastructures like grade separators, ROB, RUBs, etc. can be identified for taking up in subsequent phases.

V. Project Coverage:

8. All municipal corporations and municipalities in the State will be covered under the project in a phased manner. Preference, however, in the initial stages of the

project, will be given to those corporations and municipalities which have been provided with Underground Sewerage Schemes.

9. Once a Corporation / Municipality is selected for coverage under this project, all the roads in that Corporation / Municipality will be covered under the project. The selection of Corporations / Municipalities for coverage under the project shall be decided by the Project Empowered Committee (PEC).

VI. Project Fund:

10. The Tamil Nadu Urban Road Infrastructure Fund (TURIF) will be created and fully owned by the Government and the Fund will be managed by Tamil Nadu Urban Infrastructure Financial Services Ltd. (TNUIFSL) to implement the project, in terms of management contract to be entered into between the Government of Tamil Nadu and Tamil Nadu Urban Infrastructure Financial Services Limited. Tamil Nadu Urban Infrastructure Financial Services Limited shall open a separate Bank account where the corpus and proceeds of the fund are deposited. Tamil Nadu Urban Infrastructure Financial Services Limited can invest funds which are not immediately required for project in deposits. The interest from investments and any other income earned or accruing to the fund will also form part of its corpus and will be applied for the purpose for which the fund is created. The portion of assigned revenue payable to the municipalities will be released by Government to the fund in quarterly installments, to be released in the last month of each quarter.

11. The corpus of the fund comprises of -

- Any portion from the assigned revenue payable to municipalities & municipal corporations on account of surcharge on Stamp duty (which will be deducted at source by the Government)
- A portion of devolution
- Proceeds from issue of bonds and other market borrowings
- Other borrowings from Government and others
- Grants,
- Repayments from borrowers of the fund
- Any other source as decided by the Government from time to time

12. All expenditure relating to the sub-project (which includes works, goods & services), capacity building, training programs, campaigning activities, publicity, etc. relating to urban road infrastructure shall be met from the TURIF.

13. The Urban Local Bodies selected under the project shall be eligible for a minimum grant of 50% of the sub-project cost. The balance 50% will be made available from the fund as interest-free loans to the concerned Urban Local Bodies. Normally, the tenor for the loan is 10 years. However, the empowered committee may allow a longer tenor and enhance the grant portion to a particular Urban Local Bodies based on financial appraisal made by Tamil Nadu Urban Infrastructure Financial Services Limited on a case to case basis.

14. The local body will be required to sign a loan and a grant agreement with TURIF, in the format as may be prescribed for the project.

Project Accounting and Audit:

15. The releases will be based on physical and financial progress of the project, and no Urban Local Bodies shall use the funds made available for any other purpose other than this project.

16. Tamil Nadu Urban Infrastructure Financial Services Limited will nominate a firm of Chartered Accountants to carry out an annual audit of the TURIF, notwithstanding that the comptroller and auditor general may also carry out a separate annual audit. The audit report should be ready not less than 6 months after the close of each fiscal year.

17. Tamil Nadu Urban Infrastructure Financial Services Limited shall also appoint auditors from TURIF, for a sub-project audit as may be required for the project.

18. A Statement of Expenditure (SOE) shall be submitted by the ULBs quarterly to TNUIFSL in the format prescribed by TNUIFSL.

VII. Project Flow:

Project Preparation:

19. At the first instance, every ULB willing to participate in the project shall submit a Council resolution to TURIF, along with prescribed application forms.

20. A City Road Plan (CRP) will be prepared by Design-Supervision Management (DSM) Consultant, appointed by Tamil Nadu Urban Infrastructure Financial Services Limited, for selected ULBs.

21. The DSM consultant will prepare Detailed Project Reports prioritizing the roads, based on traffic plan. The DSM consultant will also prepare Bill of Quantities (BOQ), Cost Estimates (CE) and bid documents. Respective Urban Local Bodies will float tenders.

22. The other roles and functions of DSM include-

- Developing a detailed Work Plan
- Supervise works with respect to quality
- Ensure smooth progress of the works
- Bring out issues during execution to the monitoring committee for a solution
- Measurements will be recorded by the DSM consultants, which will be checked and super-checked by departmental engineers following existing practice.

- Submit progress report to Project Monitoring Committee headed by the CMA
- Recommend payments for the contractor to the appropriate authority

23. The Technical Review Committee (TRC) formed for the purpose of project, shall review all the reports and provide technical guidance to the project till completion.

Financial Appraisal:

24. The DPRs approved by the TRC, shall be financially appraised by Tamil Nadu Urban Infrastructure Financial Services Limited in consultation with the Debt Monitoring Cell in CMA.

Administrative Sanctions:

25. The DPRs along with the financial appraisal shall be placed before the Project Empowered Committee (PEC). The PEC may recommend projects to the Government for according Administrative Sanction, based on which the MA&WS Dept. in the Government may accord Administrative Sanction. The PEC may also determine the Grant-loan mix and also the tenor, and also periodically monitor the project.

Technical Sanctions:

26. The Technical Sanction shall be accorded by the appropriate authorities for the sub-projects.

Procurement:

27. Procurement of works, goods & services under this project, shall follow Tamil Nadu Transparency in Tenders Act, 1998.

28. The minimum contract package should be of the order of Rs.25 crore per package unless the entire Urban Local Bodies road works packaged together are less than Rs.25 crore. No works of Urban Local Bodies aggregating less than this amount will ordinarily be split into more than 1 package.

29. The Urban Local Bodies will invite tenders following the procedures laid down in Tamil Nadu Transparency in Tenders Act, 1998. The DSM consultant will assist the Urban Local Bodies in evaluation and finalization of tenders.

Project Implementation:

30. The DSM Consultant will monitor the proper implementation of the project. The DSM consultant will submit fortnightly progress reports on the project.

31. The DSM consultant may bring any subject which requires co-ordination from other departments to the District Project Co-ordination Committee

32. The entire focus of the project revolves around **Quality**. To ensure this, the Director, Highways Research Station will take up 'Technical Audit' of the project.

Project Monitoring:

33. The project will be monitored at various levels. A Project Monitoring Committee will be formed, who will review the project on a monthly basis. A State-level Monitoring Committee will be formed which will review the project on a quarterly basis. The Project Empowered Committee will monitor the project on a half-yearly basis.

Capacity Building:

34. The project proposes to enhance capacities of local bodies, for which training programs will be conducted by the Commissioner of Municipal Administration for skill development utilizing the funds of TURIF. The project also proposes to conduct campaigning activities and create awareness to public and road users by developing a forum, namely, 'The Road Users Forum'. This will be dealt with by the respective Urban Local Bodies with the assistance of the DSM consultant. Such projects shall be approved by the PEC.

Public Disclosure:

35. Adequate public disclosure of all information relating to the City Road Plan, DPR, procurement, monitoring and progress of the project, as may be stipulated in loan and grant agreement, would be ensured by the respective Urban Local Bodies by publishing the same in their respective web-sites and in local news papers.

VIII. Functions and roles of various project committees-

Project Empowered Committee (PEC) -

36. The above committee consists of-

- Hon'ble Minister for Local Administration – Chairman
- Principal Secretary to Govt.– Finance dept.
- Principal Secretary to Govt , Municipal Administration and Water Supply dept.
- Commissioner of Municipal Administration – Member Convener
- Managing Director & Chief Executive Officer, Tamil Nadu Urban Infrastructure Financial Services Limited

37. Functions-

- The Committee may recommend administrative approvals to Govt. for the sub-projects posed under the TURIP
- The Committee may also monitor the progress of the project, every half-year.

State-level Project Co-ordination Committee (PCC)-

38. The above committee consists of-

- Principal Secretary to Govt., MA&WS Dept. - Chairman
- Chairman, Tamil Nadu Electricity Board (TNEB)
- MD, Tamil Nadu Water Supply and Drainage Board (TWAD)

- MD, Chennai Metro Water Supply and Sewerage Board (CMWSSB)
- CE, Highways department
- GM, BSNL
- Commissioner of Municipal Administration – Member Convener
- Managing Director, Tamil Nadu Urban Infrastructure Financial Services Limited
- Any other person / Organization as may be decided by the Chairman of the Committee

39. Functions-

- The committee shall review the progress of project on a quarterly basis or more often as deemed necessary, and provide critical decisions, wherever required.
- This acts as a committee which integrates all departments, and takes their co-operation during works.

40. A similar committee will be formed at the District level, (namely, District-level Project Co-ordination Committee) headed by the respective District Collector and RDMA will be the member-convener of the meetings. The other members would include respective district-level officers of the departments mentioned above, which would meet atleast once in a month.

Project Monitoring Committee (PMC)-

41. The above committee consists of-

- Commissioner of Municipal Administration - Chairman
- MD, Tamil Nadu Urban Infrastructure Financial Services Limited – Member Convenor
- CE- CMA / CE - CoC
- ME from respective ULBs;
- Representatives from Tamil Nadu Urban Infrastructure Financial Services Limited
- CE Highways dept.

42. Functions-

- The PMC will meet once in a month to review the progress of work and clarify operational issues
- The committee formed is intended to ensure co-ordination between departments, and therefore the Member-Convener of the Committee shall call for a meeting of the project co-ordination committee as may be required during the progress review.

Technical Review Committee (TRC)-

43. The above committee consists of-

- CE- CMA / CE - CoC
- ME from respective ULBs;

- Representatives from Tamil Nadu Urban Infrastructure Financial Services Limited – Member convenor
- CE Highways dept. & / DE, Highways of respective jurisdiction of the Urban Local Bodies

44. Functions-

- The TRC will be involved with the project from the initial stages of project preparation, implementation and monitoring of the project and would review the reports and provide technical guidance to the project throughout.

NIRANJAN MARDI
SECRETARY TO GOVERNMENT

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SECTION OFFICER.