

**Minutes of the Ninth Meeting of Steering Committee of
Integrated Coastal Zone Management (ICZM) Project
held on 01/11/13**

The Ninth Steering Committee meeting of ICZMP was held on 01/11/2013 at 4.00 p.m. in the Committee Room of Forests & Environment Department under the Chairmanship of Shri H.K. Dash, IAS, Additional Chief Secretary, Forest & Environment Department, Government of Gujarat. The list of other members of the Steering Committee and invitees who attended the meeting is annexed herewith and marked as Annexure -1.

**Agenda No. 1: Confirmation of the Eighth Meeting of the Steering
Committee held on 12th July 2013**

The minutes of the eighth meeting of the Steering Committee held on 12th July 2013 was circulated to the members for information and comments. Shri Dipak Erda, Financial Advisor (Forest & Environment), Finance Department had sent certain comments on the MoM, which were duly replied by the SPMU. The Committee found that the comments from Shri Dipak Erda, Financial Advisor (Forest & Environment) have been replied and thereafter no further comments have been received from him. However, if any further comments are received, the same may be put up before the next meeting of the Steering Committee.

The Committee considered the minutes and adopted the following resolution.

"RESOLVED THAT the Minutes of the Eighth Meeting of the Steering Committee held on 12th July 2013 be and are hereby confirmed"

Agenda No. 2: Action Taken Report

The Member Secretary, GEC and Project Director, ICZMP briefed the Chairman and members of the Steering Committee about Action Taken Report on the decisions of the Eighth Steering Committee.

The Project Director explained that the SPMU has prepared detailed list of the deleted activities, and he further added that due to deletion of these activities project objectives are not impacted as per the remarks given in the agenda note. He explained that in the last meeting the Committee had directed SPMU to submit the proposal to GoG for the approval of extra cost if any within one month time. The SPMU has finalized its final costing and deletion/inclusion of activities at MTR stage. The same has been shared with MoEF [SICOM] and World Bank. The World Bank has agreed with the recommendation of SPMU as per the Aide Memoir of MTR Mission, however the matter is still pending at MoEF, GoI level. As soon as SPMU receives any confirmation from MoEF, GoI, the proposal will be submitted to GoG.

The Project Director, SPMU has issued Letter of Award [LoA] to the successful bidder for construction of laboratories and for Internal Auditor works. He further explained that the contract period of both contractors for the Sewerage networking works had been extended till March-2014, with approval of World Bank.

The Project Director explained to the Committee that the as per the Steering Committee direction, proposal of construction of mangrove trail was submitted to PCCF [WL] for his expert opinion with regards to design and cost. Recently PCCF [WL] decided that two different paths were proposed in original design which can be reduce in one common way thus the cost of the entire structure can be reduced. He opined that the cost within the limit of Rs. 500.00 lakh can be acceptable and accordingly Architect has been informed to revised the design and cost estimate.

The Committee discussed and deliberated the Action Taken Report and took **note of them.**

Agenda No. 3: To Consider and ratify the decision on acceptance of additional financial security of Rs. 13 Crores over and above the normal performance security of Rs. 10 Crores from M/s. Essar Thermax JV for Design, Construction, Commissioning and post completion O & M for a period of 15 years for 70 MLD STP at Jamanagar.

The Committee considered the proposal to ratify the decisions on acceptance of additional finance security of Rs.13.00 Cr. over and above the normal performance security of Rs. 10.00 Cr. from M/s. Essar Thermax JV for design, construction, commissioning and post completion O&M for a period of 15 years for the 70 MLD STP at Jamnagar.

Municipal Commissioner, Jamnagar briefed the Committee on the same and mentioned that the contract has been signed with M/s. Essar Thermax JV and has already provided Rs. 10.00 Cr. performance security. Mobilisation advance shall be released on submission of the bank guarantee towards security of the mobilisation advance by M/s. Essar Thermax JV. M/s. Essar Thermax JV has started the initial activities relating to work at site. The Committee on consideration of the proposal adopted the following resolution.

"RESOLVED THAT ex-post facto approval be and is hereby granted to accept the additional financial security of Rs. 13.00 crores from M/s. Essar Thermax JV as under:

- a. Essar Thermax JV shall have to provide a Bank Guarantee equivalent to Rs. 6.00 Crores within one month from the date of signing of the contract.*
- b. Essar Thermax JV shall have to pay the balance additional financial security equivalent to Rs. 7.00 Crores in two equal instalments i.e., each of Rs. 3.5.0 Crores within a period of two years from the date of signing of the contract.*

c. *The payment towards design, construction and commissioning of the STP shall be limited to Rs. 49.00 Crores, (the lowest construction cost emerging out of the bidding process) until the balance additional financial security of Rs. 7.00 Crores is fully paid by Essar Thermax JV within a period of two years as stated in (b.) above”.*

Agenda No. 4: To consider and approve the proposals for procurement of works and goods under the ICZM Project:

Agenda No. 4.1: To consider and approve National Competitive Bid (NCB) for Construction of Field and Research Station at Bhavnagar for GEER Foundation:

The Committee considered the proposal and resolved as under:

*"RESOLVED THAT the Steering Committee considering the recommendation of the SPMU – Procurement Committee hereby resolves to approve and accept the first lowest evaluated responsive bid of Ghanshyamlal Balubhai, Bhavnagar meets with the post qualification requirements as contained in the bid document with his lowest price standing at Rs. 22,09,297.50 as against estimated cost of Rs. **21,36,300/-** which is **3.42 %** above the cost put to tender."*

Agenda No. 4.2: To consider and approve National Competitive Bid for Construction and Establishment of Laboratory at Jamnagar under ICZMP for Gujarat Pollution Control Board (GPCB).

The Committee considered the proposal and resolved as under:

"RESOLVED THAT the Steering Committee considering the recommendation of the SPMU – Procurement Committee hereby resolves to approve and accept the first lowest evaluated responsive bid of Ghanshyamlal Balubhai, Bhavnagar meets with the post qualification requirements as contained in the bid document with his lowest price

standing at Rs. 27,56,212.00 (as per arithmetical check) as against estimated cost of Rs. 26,47,730.00 which is 04.10 % above the cost put to tender.”

Agenda No. 4.3: To consider and approve National Competitive Bids for Construction of Interpretation Centre at Narara for MNP, Jamnagar

The Committee considered the proposal and resolved as under:

*"RESOLVED THAT the Steering Committee considering the recommendation of the SPMU – Procurement Committee hereby resolves to approve and accept the first lowest evaluated responsive bid of Bhagvati Infrastructure Co., Rajkot meets with the post qualification requirements as contained in the bid document with his lowest price standing at **Rs.1,66,78,955.00/-** as against estimated cost of **Rs. 1,65,69,000/-** which is **0.66%** above the cost put to tender."*

Agenda No.4.4: To Consider and approve construction and establishment of interpretation centre at NARARA Jamnagar - under National Shopping Procedure for Marine National Park, Jamnagar

The Committee considered the proposal and resolved as under:

*"RESOLVED THAT the Steering Committee considering the recommendation of the SPMU – Procurement Committee hereby resolves to approve and accept the first lowest evaluated responsive bid of **Dhananjay Construction, Junagadh** with his lowest price standing at*

Rs. Rs. 32,60,550/- as against estimated cost of Rs. 30,00,000/- which is 8.685% above.”

Agenda No. 4.5: To consider and approve the International Competitive Bids (Third Invitation) for supply of X-ray Diffract meter (XRD)for GPCB.

The Committee considered the proposal. The Committee was of the view that the contract will involve a portion of the payment in foreign exchange for the supply of the equipments which are to be imported from abroad. This is as per the provisions of the bid documents. However, the variation in the exchange rate of INR vs. US\$ or any other foreign currency is likely to impact the overall cost of the procurement. The Committee was of the view that this aspect should be examined in consultation with World Bank and/ or the SICOM, Govt. of India. The Committee, therefore, adopted the following resolution.

“RESOLVED THAT the SPMU should check and confirm with regard to the procedure and financial implications arising out of the procurement due to the variation in the exchange rate i.e., INR vs. US\$ or any other foreign currency and its impact with the World Bank and/or Govt. of India. On confirmation that the additional financial implications, if any will be payable as per the World Bank procedure, the Project Director may award the contract”

“FURTHER RESOLVED that the Project Director be and is hereby directed to approve and accept the lowest evaluated bid of M/s. IR Technology for procurement of X-ray Diffract Meter (XRD) with his bid price standing at Rs. 1,10,59,700.00 be and is hereby approved the bids subject to the clearance as stated above. The Project Director be and is hereby

authorized to award the contract on receipt of such clearance from the World Bank and/ or SICOM.

Agenda No. 5: Current Status & Progress of the Project

Seeing the current status of the Project the Chairman of the Steering Committee desired that the physical and financial progress of the project should be immediately expedited and directed that each of the implementing agency as well as the SPMU should prepare a target oriented time bound Action Plan identifying the bottlenecks because of which the disbursement and/ or implementation of the project is slow. The Action Plan should also aim at boosting up physical and financial progress and also should aim at completing the project on a fast track mode. The Action Plan should be reviewed by the Head of each of Project Implementing Agency personally as well as by the SPMU on a monthly basis and all corrective actions that are necessary to speed up the work should be taken. A brief summary on such review should be presented to the Chairman of the Committee for his review.

To appraise the details of the variations in quantities and extra items in the case of Jamnagar Sewage Project, Contracts for Package-1 & 2 for supply, laying, joining and commissioning of sewer connection system with house connection, the Municipal Commissioner briefed the Committee. The Municipal Commissioner and Sr. Procurement Advisor briefed the Committee that in the sewer collection Package -1 & 2, there are variations in contract as compared to the original bill of quantities due to excess in quantities in different items as well as there are certain items which are required to be executed as per site conditions for making the system functional. These variations have been evaluated and after accounting for these variations, the overall value of the contract as approved and awarded for both the packages would not be exceeded. Jamnagar Municipal Commissioner also clarified that provisions of the contract covered "Variations", and the Engineer and Employer i.e., Municipal

Commissioner are having the authority to approve the variations, which he wanted to apprise the Committee.

The Committee advised that the Municipal Commissioner, Jamnagar Municipal Corporation should exercise the authority vested in him under the contract. If administrative sanction for the variation is to be taken (which a normal practice in the State Government funded contracts) then proposal for revised administrative approval can be brought to the Committee afterwards.

The meeting ended with a vote of thanks to the Chair.

-SD-

[Project Director]

-SD-

[Chairman]

Note: The Minutes is issued as above by the Member Secretary (Project Director) and Chairman, Steering Committee.

[Nischal Joshi]

Annexure I - 9th Steering Committee Meeting under ICZM Project

Date: 1st November, 2013

Venue: Committee Room of F&ED

Sr. No.	Name	Designation & Organization
1	Shri. H.K. Dash, IAS	ACS, Forests & Environment Department, Gandhinagar & Chairman GEC
2	Dr. A.K. Verma, IFS	Project Director, ICZMP
3	Dr. C.N. Pandey, IFS	PCCF, (Wild Life)
8	Shri Bharat Pathak, IFS	Director, GEER Foundation
9	Shri Anupam, IAS	Municipal Commissioner, Jamnagar Municipal Corporation
10	Shri. R.D. Kamboj	CCF, Marine National Park, Jamnagar
11	Shri. D.K. Sharma	CCF, Kachchh Forest Circle
12	Shri. K.C. Mistry	Nodal Officer, ICZMP, Gujarat Pollution Control Board
13	Shri. D.H. Chhatrala	Exe. Engg (UGD), Jamnagar Municipal Corporation
14	Shri. N.K. Patel	DS (Environment), Forests & Environment Department
15	Shri. Nischal Joshi	Sr. Manager (Projects), GEC
16	Shri. B.J. Vasavada	Procurement Advisor