

**MINUTES OF THE FIFTH STATE LEVEL SANCTIONING COMMITTEE MEETING HELD ON 09.02.2009 AT 11.30 A.M. FOR URBAN INFRASTRUCTURE DEVELOPMENT SCHEME FOR SMALL AND MEDIUM TOWNS (UIDSSMT)**

The Meeting of the Fifth State Level Sanctioning Committee for Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) scheme was held at TUFIDCO on 09.02.2009 at 11.30 a.m. under the Chairmanship of Thiru M.A. Gowrishankar, I.A.S., Chairman and Managing Director, TUFIDCO.

The Following Members attended the Meeting:

Thiru. Surjit K. Chaudhary, I.A.S.,  
Principal Secretary to Government  
Housing & Urban Development Department  
TN Secretariat,  
Chennai –600 009.

- Member

Dr. P. Senthil Kumar, I.A.S.,  
Director of Municipal Administration  
Chennai – 600 005

- Member

Thiru. M. Sankara Narayanan,  
Deputy Advisor,  
CPHEEO,  
Ministry of Urban Development,  
Government of India  
Nirman Bhawan,  
New Delhi –110 011.

- Member

Thiru J. Venkatesan  
Joint Secretary to Government  
Finance Dept,  
Secretariat, Chennai-600 009.

- Representing  
Secretary to Govt.  
Finance Dept.,

Thiru. Muralidhar Naik - Representative from  
Associate Town and Country Planner Town & Country  
TCPO Planning Organization  
Government of India  
New Delhi

Thiru. N.Ramanathan - Representing  
Deputy Director of Town and Commissioner of  
Country Planning Dept., Town & Country  
807 Anna Salai Planning  
Chennai – 600 002.

The Chairman of the State Level Sanctioning Committee welcomed the Members of the Committee.

**Item No.1**

Minutes of the 4<sup>th</sup> State Level Sanctioning Committee Meeting held on 17.3.2008 was recorded.

**Item No.2**

Physical and financial progress of the sanctioned projects under UIDSSMT scheme was reviewed and recorded.

**Item No.3**

**Sanction of New proposals:**

TUFIDCO, the Nodal Agency placed 22 projects for 21 towns for an estimate cost of Rs.963.26 crores before the State Level Sanctioning Committee Meeting. The CPHEEO appraised the submitted proposals and recommended for an estimate cost of Rs.954.63 crores for the above projects.

The Committee scrutinized the proposals and the general observations are as follows.

1. Water Utilisation Committee Clearance/Approval should be obtained before the implementation of the Improvement of water supply projects, which requires drawal of more than 1 million gallon litres per day.
2. It was directed that the urban local bodies shall adopt a graded structure for both deposits and tariff and the rates for deposits and tariff should be cross subsidized so as to benefit the urban poor in the population.
3. It was instructed that metering of water supply system should be adopted on a volumetric basis in order to completely eliminate the flat rate system.
4. It was also observed that most of the urban local bodies have not achieved the targeted milestone of 85% coverage ratio and 90% collection ratio. Therefore, they were directed to achieve 85% coverage ratio and 90% collection ratio before March 2009.
5. It was opined that the urban local bodies should take necessary steps to ensure that Operation and Maintenance cost of the water supply and underground sewerage system should be met from the tariffs collected from the beneficiaries of the project.
6. While observing the urban local bodies who have posed projects of underground sewerage schemes, it was noticed that some of the urban local bodies included local sources of water to meet the CPHEEO norms of 135 lpcd. The use of local sources of water is not reliable. Therefore, the urban local bodies should prepare project proposals for augmenting water supply under UIDSSMT & other funding schemes.

7. All the urban local bodies that have been sanctioned water supply and underground sewerage schemes shall be closely monitored and reviewed by the respective Heads of the Departments to ensure that they achieve the targets indicated in the Detailed Project Reports for availing the house service connections. If necessary, their bye laws shall be amended for compulsory service connections.
8. The urban local bodies, who require clearance for the land for implementation of underground sewerage schemes for the construction of Sewage Treatment Plants (STPs) and Pumping Stations should approach the respective departments well in advance to take necessary steps to take possession of the land.
9. In some of the urban local bodies having adequate water supply (135 lpcd) it was observed that the beneficiaries have obtained only less than 50% of the water supply connections. Enquiry with the urban local bodies reveals that existence of public fountains was the reason for the beneficiaries not obtaining the balance water supply connections. But while posing projects for sanction for underground sewerage schemes in such urban local bodies, it is presumed that more than 90% of the house service connections envisaged in the underground sewerage schemes will be obtained after the implementation of the underground sewerage schemes. Hence, the connections obtained for water supply schemes and underground sewerage schemes in such urban local bodies should be synchronized

10. If the urban poor have been provided with necessary infrastructure under the IHSDP scheme, they should be motivated to avail connections for water supply and underground sewerage.
11. If the urban poor were not covered under the IHSDP scheme, then priority should be given to such towns for covering them under IHSDP scheme, so that they will avail house service connections for water supply and underground sewerage schemes and this will result in the reduction of Non revenue water.
12. After provision of house service connections for water supply and underground sewerage schemes for the urban poor, public fountains shall be gradually eliminated.
13. The following are list of towns in order of their priority and their order of priority are determined based on the following factors: existing infrastructure, population of the Scheduled Castes/ Scheduled Tribes, Towns in the districts which are at present uncovered under the UIDSSMT scheme, towns which are not covered under the UIDSSMT scheme and the projects have been submitted by the ULB belatedly, ULBs who have not completely fulfilled the remarks of the earlier SLSC Meeting observations.

The Committee have sanctioned the projects and recommended for release on the following priority basis:

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(Rs. in lakhs)

Sl.No.	Name of Town	Name of the projects	CPHEEO Approved / SLSC recommended Cost	GOI share (80% of Approved Cost)	GTN Share (10% of Appd. Cost)	ULB Share (10% of the Appd. Cost)	1.5% of the Appd. Cost for DPR preparation
1	Chidambaram	Water Supply	615.60	492.48	61.56	61.56	9.23
2	Ariyalur	Under Ground Sewerage	2555.20	2044.16	255.52	255.52	38.33
3	Melur	Water Supply	2519.33	2015.46	251.93	251.93	37.79
4	Salem Corporation	Water Supply	28309.00	22647.20	2830.90	2830.90	424.64
5	Tiruvannamalai	Water Supply	3452.62	2762.10	345.26	345.26	51.79
6	Cumbum	Water Supply	1402.65	1122.12	140.27	140.27	21.04
7	Kovilpatty	Water Supply	4446.42	3557.14	444.64	444.64	66.70
8	Pallipalayam	Water Supply	955.26	764.21	95.53	95.53	14.33
9	A. Vellalapatty	Water Supply	347.30	277.84	34.73	34.73	5.21
10	Sattur	Under Ground Sewerage	2360.00	1888.00	236.00	236.00	35.40
11	Karaikudi	Under Ground Sewerage	4799.63	3839.70	479.96	479.96	71.99
12	Mannargudi	Under Ground Sewerage	5929.71	4743.77	592.97	592.97	88.95
13	Pollachi	Under Ground Sewerage	5150.00	4120.00	515.00	515.00	77.25
14	Nagercoil	Under Ground Sewerage	7000.00	5600.00	700.00	700.00	105.00
15	Kodaikanal	Under Ground Sewerage	8753.97	7003.18	875.40	875.40	131.31
16	Kadayanallur	Water Supply	2317.76	1854.21	231.78	231.78	34.77
17	Periyakulam	Under Ground Sewerage	1064.10	851.28	106.41	106.41	15.96
18	Palani	Under Ground Sewerage	4100.43	3280.34	410.04	410.04	61.51
19	Gudiyatham	Water Supply	702.47	561.98	70.25	70.25	10.54
20	Keelakarai	Under Ground Sewerage	2175.00	1740.00	217.50	217.50	32.63
21	Sivakasi	Under Ground Sewerage	3885.87	3108.70	388.59	388.59	58.29
22	Melur	Under Ground Sewerage	2621.00	2096.80	262.10	262.10	39.32
	<b>Total</b>		<b>95463.32</b>	<b>76370.66</b>	<b>9546.33</b>	<b>9546.33</b>	<b>1431.95</b>

While sanctioning the water supply scheme for Salem Corporation, it was observed that the project is a Capital intensive project with a project period of 24 months. The implementation of the project would involve road cutting in National Highways for which permission would have to be obtained from the concerned authorities. The project management tools of PERT and CPM should be prepared and furnished to TUFIDCO and Director of Municipal Administration so that the schedule for completion is maintained within 24 months, which is the project period. This is to ensure that there is effective monitoring for the implementation of the capital intensive project. If there is cost overrun, due to tender excess or due to additional components involved during the implementation of the project, Government of India will not bear any additional cost for the project and the additional cost would have to be borne by the urban local body.

While considering the sanctioning of the water supply scheme to Melur Municipality, the Melur Municipality was directed to obtain the Government Order as this is a combined water supply scheme, before the implementation of the project.

While considering the sanctioning of water supply to Chidambaram Municipality issue of supply of 135 lpcd of water to Annamalai Nagar Town Panchayat came up for discussion. TWAD Board officials informed that source of water supply for both Chidambaram and Annamalai Nagar town panchayat was the same and the town panchayat does not have underground sewerage scheme in its area and therefore 70 lpcd of water supply is in itself sufficient and supply of 135 lpcd of water to Annamalai Nagar Town was not necessary now.

While sanctioning the underground sewerage scheme for Palani Municipality, it was observed that the Municipality has obtained only less than 50% of the proposed water supply connections. It was also noticed that the Municipality has succeeded in giving only 500 water supply connections, since the last sanctioning committee meeting. The number of connections given were very meager. In the underground sewerage scheme, it is proposed to give 14000 number of house service connections. The Municipality should ensure that necessary action may be taken to give the maximum number of house service connections for water supply scheme for the successful implementation of the underground sewerage scheme. The property tax and professional tax collection was noticed to be poor and steps should be taken to improve the collection system. The arrear demand should also be successfully collected from the public.

While considering the sanctioning of the underground sewerage scheme for Periakulam Municipality, it was instructed that Municipality should take steps to obtain collections from the existing house service connections. The Municipality should pass resolutions to that effect. The Municipality should collect the deposits from the public and invest the same in the project as its own contribution before approaching the Government of India for releasing its share for the implementation of the project.

While considering the sanction of the underground sewerage scheme to Melur Municipality, it was noticed that some of the hamlets were omitted from the project proposal. Officials from TWAD informed that the areas comprising the hamlets were scattered and if the scattered areas were to be included in the proposal, the project cost and the Operation & Maintenance cost would be more. The Municipal Commissioner informed that some of

these hamlets had availed funds for the construction of toilets under the IHSDP programme. The remaining portion of the hamlets will be covered under the ILCS scheme. On the issue of omission of some of the toilets, the TWAD Board officials informed that they had apprised the Council of the Municipality regarding the same and the Municipal Commissioner also endorsed the view expressed by the TWAD Board.

While considering the sanctioning of the underground sewerage scheme for Mannargudi Municipality, it was observed that the Municipality has provided household connections for water supply schemes to less than 50% of the domestic units only. The committee instructed that the Municipality should show improvement in providing household connections and it was also directed that the Municipality should initially mobilize the 10% urban local body contributions by way of collection of connection charges from the households and invest in the project before drawing funds from the GOI for the implementation of the underground sewerage scheme.

While considering the sanctioning of underground sewerage for Ariyalur Municipality, it was directed that resolution from the concerned village panchayat has to be obtained for taking up the land for Sewage Treatment Plant, before implementing the project proposal.

While considering the proposal for sanction of Underground Sewerage Scheme at Kodaikanal Municipality, it was concluded that the site for the location of the Sewage Treatment Plant and the approach roads were to be decided after joint inspection of the site by the Engineering Director, CMWSSB, Engineering Director, TWAD Board and Chief Engineer, Office of the Commissioner of Municipal Administration. The site for STP should be so located that the height of the retaining wall should be reduced to the barest minimum, so that cost is effectively reduced.

While considering the proposal for sanction of Improvement of Water supply for Kadayanallur Municipality, the Committee was of the view that either the PWD shall execute the proposed weir or the work could be taken up by the Municipality instead of the PWD. If the work is to be taken up by the PWD, then time frame for the execution of the work should be obtained from PWD, by the Municipality. But if the work is to be executed by the Municipality necessary approval for execution would have to be obtained from the PWD by Kadayanallur Municipality.



**M.A.GOWRISHANKAR, I.A.S.,**  
**Additional Chief Secretary to**  
**Government of Tamilnadu**  
**Chairman and Managing Director**  
**TUFIDCO**