

The Standard Procedures that are being followed for North Karnataka Urban Sector Investment Programme (NKUSIP) , an Asian Development Bank Project is as follows:

1. Pre-execution activities:

Concept Report / Feasibility study:

The Programme Consultant(PC) has to submit the concept report to Divisional Office (DO)and DO has to forward to Urban Local Body (ULB) for comments. The ULB has to send the comments to DO. The same has to be incorporated by the PCs and ULB has to approve concept report in the form of resolution. Then the report has to be sent to Regional Office (RO)through DO. The RO has to convene the meeting of the approval committee (deliverables). PC has to make the presentation on the report submitted and the comments / suggestions made by the committee have to be incorporated. Approval can be accorded if the revised report is found acceptable.

Consultants have to submit all the construction drawings; within 30 days after finalization of Concept Reports.

Initial Environmental Examination / Environmental Impact Assessment Report

The PC has to prepare and IEE / EIA report following the National and ADB guidelines. The same will be verified by the Environmental Engineer of Energy & Environment(E & E) cell, HO. Approval for the same will be accorded by the Executive Director, RO and forwarded to ADB for approval. The approved document will be uploaded in the KUIDFC website.

The Project Implementation Units(PMU) Engineer has to ensure the compliance to the Environmental Monitoring Plan by the contractor during construction.

Resettlement Plan

The PC has to prepare Resettlement plan following the National and ADB guidelines. The same will be verified by the Social Development Officer (SDO) of DO and Community Development Officer (CDO) of RO. The approval for the RP will be accorded by the Executive Director, RO and forwarded to ADB for approval. The approved document will be uploaded in the KUIDFC website.

The Deputy Project Directors (DPD) have to ensure the implementation of the plan of action as per the RP and compensation payment to the affected persons.

Detailed Project Reports (DPRs)

The programme consultant (PC) will prepare the DPR and submit the same to DO. DO have to forward the report to ULB and RO for comments and should parallelly scrutinize the DPR. The ULB & RO have to send the comments to DO. DO have to provide the same to PC along with its comments on the DPR. PC has to revise the report based on the comments received from ULB, DO & RO. The draft final report after incorporating the comments has to be sent to ULB and RO.

The ULB has to approve the DPR in the form of resolution. The RO has to convene the meeting of the technical committee. PC has to make the presentation on the report submitted and the comments / suggestions made by the committee have to be incorporated. Approval / Technical Sanction shall be accorded if the revised report is found acceptable.

Technical sanction

For water supply and sewerage works: Committee consisting of Chief Engineer, NKUSIP-KUIDFC, Regional Office, Hubli, Selection Grade Executive Engineer, KUWS&DB (N) & Executive Engineer, of the concerned KUWS&DB Division to accord the technical sanction.

For other works: Chief Engineer, KUIDFC to accord the technical sanction.

2. Bidding Process:

Tender Documents

After approval of the detailed DPRs draft tender documents will be prepared by the PC as per the first bid document approved by ADB. The Project Implementation Unit(PMU) Engineer has to verify and confirm that the tender document is as per the approved bid documents. The project manager of the package has to verify and confirm that the bid documents are in acceptable form.

In the case of PSP contracts, bid documents shall be forwarded to the Head Office. The Head Office has to forward the same to ADB and obtain their prior approval. The approval of ADB has to be communicated to the RO / DO and the Implementing Agency(IA).

The Commissioner will be the Employer for the municipal works (water supply, sewerage, urban drainage & roads). The Executive Engineer, PIU / DO will be the Project Manager.

The Employer and Project Manager for non-municipal works shall be decided by concerned IA in consultation with the KUIDFC.

Tender Evaluation & Approval

A Tender Evaluation Committee for each package will be constituted by the Project Monitoring Unit (PMU) as per the directions given in order to evaluate the bids received. The Tender Evaluation Committee will receive, open and evaluate the bids received. The evaluation has to be done as per the ADB's guidelines. The confirmation on the Bank Guarantee(BG) and the employer's certificate needs to be obtained by the evaluation committee. The evaluation report will be countersigned by the Head of IA and the concerned DPD. The Committee will give its recommendation based on the evaluation and submit the evaluation report to HO through RO for approval.

Two copies of the Bid Evaluation Report have to be submitted to HO. One copy will be forwarded to ADB.

Upon receipt of approval of tenders from the Head Office, the IA will take further action to enter into contract after observing formalities as required in Bid Document. The PIU Engineer should

ensure that performance guarantee is obtained and contract agreement executed within the time stipulated in the bid document. The work schedule (CPM / PERT) has to be obtained by the PIU Engineer before execution of the contract agreement. Two copies of the contract agreement have to be sent to HO for records.

3. Implementation

Supervision & Measurement of works

The day-to-day supervision and measurement of the works will be the responsibility of the Engineers, PIU. The PIU has to ensure all the conditions laid in the contract agreement are complied. The role and responsibility of the ULB (PIU), DO, RO, HO and PC during the execution phase is given as below:

North Karnataka Urban Sector Investment Programme						
RESPONSIBILITY MATRIX for Execution phase						
R-Responsible, A=Assist						
Sl. No.	Activities	Consultant	ULB (including NKUSIP Cell)	DO, KUIDFC	RO, KUIDFC	HO, KUIDFC
A	Contract Management					
1	Interpretation of Contract Clauses	R				
2	Time Management-Monitoring	R				
3	Investigate particular construction problems or delays	R				
4	Recommend actions to be taken to resolve the problems or overcome the delays	R				
5	Time Management on Site		R			
6	Prioritizing Works	A	R			
7	Monthly, weekly and daily allocation of work	A	R			
8	Dispute Settlement					
a	First Instance	A	R			
b	First Level	A		A	R	
c	Second Level	A		A	A	R

9	Issuing Notices	A	R			
10	Liquidated damages	A	R			
11	Issuing Certificates (Other than quality)	A	R			
12	Settling contractor's claims	A	R			
13	Frame quality control procedures and quality control of the works	R				
B	Supervision of Work					
1	Handing Over Site		R			
2	Utility Shifting					
2.1	Assessing the requirement	R				
2.2	Preparing request with drawing	R				
2.3	Submitting Request		R			
2.4	Obtaining Permission		R			
3	Traffic Diversion					
3.1	Making request for diversion		R			
3.2	Obtaining permission and managing diversion		R			
4	Good for Construction Drawing					
4.1	Preparation of drawings	R				
4.2	Issuing Approval		A	A	R	
5	Setting out and fixing alignment					
5.1	Setting out at site (Verification)	R	R			
5.2	Checking with design	R	R			
6	Excavation					
6.1	Ensuring adequacy of safety measures	R	R			
6.2	Classification of soil	R	R			
6.3	Certifying width and depth	R	R			
6.4	Checking with design depth	R	R			
6.5	Obtaining permission for blasting	A	R			
7	Pipe Laying					
7.1	Confirmity of pipe to specification	R	R			
7.2	Ensuring Lines and Levels	R	R			
7.3	Verifying lines and levels	R	R			
7.4	Assessing adequacy of stock	R	R			

7.5	Collecting samples	R				
7.6	Sending Samples for testing		R			
7.7	Certifying quality of pipes	R	R			
7.8	Certifying jointing material	R	R			
7.9	Certifying Pressure Testing	R	R			
8	Concreting and other civil works					
8.1	Collecting samples	R				
8.2	Sending Samples for testing		R			
8.3	Certifying quality of materials	R	R			
8.4	Verifying WC ratio, compaction and curing	R	R			
8.5	Certifying formwork	R	R			
8.6	Certifying quality	R	R			
9	Electrical & Mechanical Works					
9.1	Conformity of supplied materials to specification	R	R			
9.2	Checking Erection and trial run	R	R			
9.3	Certifying Satisfactory Trial Run	R	R			
10	Daily Supervision					
10.1	On Site Supervision	R	R			
10.2	Taking pre-measurements	R	R			
10.3	Recording Measurements in M Books	A	R			
10.3	Check Measurements		R			
10.4	Checking of "as built" drawings	R	R			
11	Billing and Payment					
11.1	Pre & Final Verification	R	R			
11.2	Issuing quality certificate	R				
11.3	Passing the bill		R			
11.4	Effecting Payment		R			
11.5	Post Auditing				R	R
12	Obtaining power connection					
12.1	Verifying contractors' request with drawing	R				
12.2	Submitting Request		R			
12.3	Obtaing connection		R			
13	Completion and handing					

	over					
13.1	Recommending completion certificate	R				
13.2	Issuing completion certificate		R			
13.3	Ensuring compliance to warranty during DLP	A	R			
13.4	Preparation of O & M plan	R				
13.5	Prepaation of Final report on contract	R				
13.6	Prepare MAP & AMP	R				
14	Variation in quantity and time					
14.1	Checking against design/schedule and justifying	R				
14.2	Recommending	R	R			
14.3	Approval			A	A	R
15	Environmental Monitoring					
15.1	Establishing system for monitoring	A	R			
15.2	Review of data collected	R	R			
15.3	Suggest remedial action	R				

Variations

The procedure for approval of variations is as follows:

Particulars	Procedure for Approval of variation	Time line
Extra / New / Deviated Items	<ul style="list-style-type: none"> The Contractor has to submit the request for variation for extra item to the Project Manager. The Project Manager must forward the proposal to Consultant for examination. The Consultant must examine the proposal w.r.t the contract and submit a report to Project Manager with suitable recommendations. The Project Manager must forward the proposal to Chief Engineer with his 	<ul style="list-style-type: none"> As per contract agreement. Within 3 days of the date of receipt. Within 4 days of the date of receipt. Within 4 days of date of

Particulars	Procedure for Approval of variation	Time line
	<p>recommendations.</p> <ul style="list-style-type: none"> • The Chief Engineer to approve the variation proposal upto 5 % of the contract value or upto `1.00 cr (Cumulative value, not for single case), whichever is less. • The variation proposals exceeding the limits of Chief Engineer will be forwarded by Chief Engineer to Head Office, KUDIFC. • Same will be placed before the technical committee comprising of Chief Engineer, NKUSIP, General Manager (Technical) and an outside expert to be nominated by MD, KUDIFC. • The recommendations of the technical committee will be placed before Empowered Committee or a sub-committee of Empowered Committee for approval. • In case of urgency, the proposal will be moved on file seeking approval, subject to ratification by Empowered Committee or sub-committee. 	<p>receipt.</p> <ul style="list-style-type: none"> • Within 4 days from date of receipt. • Within 7 days from the date of receipt.
Change in quantities	<ul style="list-style-type: none"> • The Contractor has to submit the request for variation for change in quantity to the Project Manager. • The Project Manager must forward the proposal to Consultant for examination. • The Consultant must examine the proposal w.r.t the contract and submit a report to Project Manager with suitable recommendations. • The Project Manager must forward the proposal to Chief Engineer with his recommendations. • The Chief Engineer to approve the variation proposal for the items that exceeds the quantity set out in the BOQ upto 25 % or upto `1.00 Crore or 5 % of the contract value (Cumulative value, not for single case), 	<ul style="list-style-type: none"> • As per contract agreement. • Within 3 days of the date of receipt. • Within 4 days of the date of receipt. • Within 4 days of date of receipt. • Within 4 days from date of receipt.

Particulars	Procedure for Approval of variation	Time line
	<p>whichever is less.</p> <ul style="list-style-type: none"> • The variation proposals exceeding the limits of Chief Engineer will be forwarded by Chief Engineer to Head Office, KUDIFC. • Same will be placed before the technical committee comprising of Chief Engineer, NKUSIP, General Manager (Technical) and an outside expert to be nominated by MD, KUDIFC. • The recommendations of the technical committee will be placed before Empowered Committee or a sub-committee of Empowered Committee for approval. • In case of urgency, the proposal will be moved on file seeking approval, subject to ratification by Empowered Committee or sub-committee. 	<ul style="list-style-type: none"> • Within 7 days from the date of receipt.

- The above procedure is applicable to all the contracts under NKUSIP implemented by various implementing agencies.
- The timeline mentioned above must be strictly adhered.
- If the variation proposal is not in complete form, maximum of 3 days must be provided to the concerned, for submission of relevant information. The above mentioned timeline can be extended by a maximum of 3 days for such cases.
- If the details are not provided within 3 days, then the proposal must be returned back to the concerned, who has forwarded / submitted the proposal for submission of complete details.
- The variation proposal that cannot be accepted must be returned with proper justification.
- In case of difference of opinion between the Project Manager and Contractor, then Chief Engineer must be approached to solve the same.
- The Regional Office, KUIDFC has to provide status of variations approved during the previous month by 5th of every month.
- The subject must be placed in every Empowered Committee providing information on the status of variations approved.

Following are the revised delegation of power for approval of variations:

- a) The Managing Director, KUIDFC to accord in-principle approval for the variations up to 5% of the contract value or Rs.1.00 crore whichever is less, for change in scope situations;
- b) The Managing Director, KUIDFC to accord in-principle approval for the variations up to 15% of the contract value, for technical compulsion situations (while retaining the powers of CE as per already delegated powers for technical compulsion situations only viz. 5% of the contract value or Rs.1.00 crore whichever is less.)
- c) The Managing Director to accord approval payments up to 80% of the bill amount after work execution where in-principle approvals for variations have already been accorded.

Maintenance of accounts

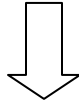
- a) The Accounts of IA will be maintained at IA. The IA will forward the statements to the DO & RO once in a month.
- b) The RO and DO has to maintain the accounts for the expenditure and report to HO periodically.
- c) The Head of Accounts section of the RO will consolidate the statement of accounts of IAs & DOs and communicate the same to the Head Office. It will also be his responsibility to project the requirement of funds well in advance to the Head Office to affect necessary transfers.
- d) The finance section of the Head Office will have monitor the requirement and flow of funds.

4) Payment to contractors:

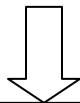
For processing of the bills for payment to the contractor, the details are as given below:

Work Bills –Flow Chart

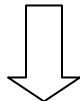
The ULB to obtain and ensure all the requirements as per contract agreement on award of work



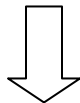
Contractor Submit the bill to the NKUSIP Cell of the ULB/IA



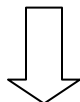
NKUSIP Cell of the ULB/IA, PC and Contractor will record measurements of the work jointly



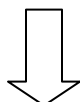
AEE of the NKUSIP Cell in the ULB/IA will check 100% of the bill submitted by the contractor with reference to measurement rate and quality. If the ULB cell consists of only AEE then EE of DO will Check measure. The EE will check measure 25% of the measurements.



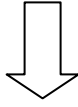
After check measurement the EE will refer it on to the Account Superintendent for auditing and recommending the bill for payment. The EE after going through the details will pass the bill for payment subject to Quality Certification by the P.C



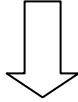
Commissioner will Countersign the Work Bill and send the requisition to the H. O with necessary proforma copy of bill & the quality certificate.



Release payment to Contractor approved by MD/ ED Contractor to issue receipt for the amount released.



Transfer of funds for the statutory deductions in the RA Bill to ULB along with copy of release made to contractor. The Mobilization advance, Retention money and LD if any to be retained in H. O, and separate accounts to be maintained.



Release payment to Contractor approved by MD/ ED Contractor to issue receipt for the amount released.

5) Payment to Consultants:

Payment to the consultants during execution will be made on man-month basis. The consultants have to maintain the attendance in their home office (Divisional office) and field office (Project Implementation Unit). The attendance of the PC has to be countersigned by the EE / AEE of DO and PIU on daily basis. Same has to be countersigned by DPD every month and forwarded to HO with due recommendations for release of payment along with the monthly progress report. The recommendations shall include the imposition of penalty, if any as per the consultancy contract agreement. Payments will be made by the HO to the consultant after due verification of the recommendation of the DPD.

In addition to the attendance, the consultant has to submit the reports as per the consultancy contract agreement. Otherwise the request for payment will not be considered.

In case of revision in manning schedule, PC has to submit the proposal to DPD. The same has to be verified and recommended by DPD and CE and forward to Head Office for approval.

Managing Director will approve the items under provision & contingency amount of the consultancy contract based on the necessities with in the limit of the balance amount remaining in the contract.

6) Submission of Reports by Program Consultants.

The consultants have to submit the following documents as per the consultancy contract agreement:

- | | | |
|-----------------------|---|---|
| 1. Monthly Report | - | by 5 th day of every month |
| 2. Quarterly Report | - | by 10 th day of first month of every quarter |
| 3. Annual Report | | |
| a. for Calendar year | - | by 10 th January of every year |
| b. for financial year | - | by 10 th April of every year |

4. Mid-Term Report - as per agreement
5. Draft Final Report - ----“----
6. Final Report - ----“----
7. Periodic Financing Request – As and when required
8. Tranche Completion Report – As and when required
9. Project Completion Report – As and when required
10. Summary Appraisal Report – As and when required
11. PPMS report – As and when required