

**ADDENDUM TO 'RFP' DATED 17<sup>TH</sup> JUNE 2011**

**Response to the Queries of Pre- Bid Meeting of  
“Municipal Solid Waste Management Project for Package 1 and Package 2 for Amritsar Cluster” held at  
Camp Office, of Commissioner of Municipal Corporation of Amritsar, Punjab**

The Pre-Bid Meeting for “Municipal Solid Waste Management Project for Package 1 and Package 2 for Amritsar Cluster in Punjab” was held on at 11:00 am on 4<sup>th</sup> July 2011. The meeting was held under the Chairmanship of Mr D P S Kharabanda, Commissioner of Municipal Corporation of Amritsar at meeting room of Camp Office. The attendance sheet / list of participants is enclosed at **Appendix-A**.

The meeting started with the welcome remark by Commissioner. It has been informed that the responses to the written queries as well as those being raised in the pre-bid meeting will be sent to all the shortlisted in the form of minutes.

The proceeding of the Pre-Bid Conference are being issued as Addendum-1 to the RFP for “Municipal Solid Waste Management Project for Package 1 and Package 2 for Amritsar Cluster in Punjab” dated 17<sup>th</sup> June 2011 as per clause 1.11 of RFP . The summary of the deliberations as well as the response to the various queries is presented as following:

<b>Sr. No.</b>	<b>Package</b>	<b>Clause No.</b>	<b>Present Form</b>	<b>Views/ Query</b>	<b>Remarks/ Suggestions by Bidder</b>	<b>Response</b>
1	Package 1	Page No. 8 of RFP, clause no. 5	Total MSW generation in Amritsar Cluster is approximately 650 MT	<b>Amritsar City does not generate 600 TPD.</b> It is only a theoretical assumption made by Dr. Maley in the past, which is completely wrong. In our case the detail given to us at the time of last tender was wrong	In the present scenario MCA is weighing only those trucks that are operated by us. MCA should start weighing the trucks that are employed by MCA for the remaining areas and check the actual waste	No change.  The quantity of MSW generation is based on DPR Approved Under JNNURM and provided as part of IV (A) of RFP.  As per clause 1.1.5 of RFP Bidders may carry out their own independent investigation and assessment of the Project

				<p>due to which we are facing major financial losses in the ongoing project. Waste generation assumed in our tender for 50% city area handled by us was 310 TPD but we have been able to achieve only 220- 250TPD from last 2 years. We invested on the infrastructure for 310 TPD and entire calculation was based on 310 TPD due to which project is facing major financial losses. We are incurring a loss of 10 lacs every month due to this.</p>	<p>generation for at least 3 to 4 months excluding the debris. We should come to a practical/ actual waste generation calculation to make the project financially viable for the contractor. Only then companies will be in a position to deliver good work. Kindly extend the tender accordingly and collect actual data from the site.</p>	<p>before submitting the Bid.</p>
2	Package 1	Page No. 12 of RFP, clause no 1.2.11	Within 15 days from the issue of LOI, selected bidder would be required to pay 80% of project development fee to IIDC.	This should be 45 days from the date of agreement signing.	Project development fee is too high if we compare it with any of the MSW project in the country till date (since year	No Change  The Project Development Fees and milestones based payments has been approved at the level of Department of Local Govt, Punjab. Therefore outside

				<p>2001). We have participated for more than 1000 tenders in India and abroad in the past, for some of the tenders with value 10 times more than these projects but have never seen a project development fee of these magnitude. C&amp;T project does not require any clearance from pollution control boards or MOEF. We request you to kindly reduce fees so that we can participate for the tender.</p> <p>Since the project will be operated by newly formed SPC company, all the payments/ funding will be arranged through the newly formed SPC; LOI is just an acceptance of offer</p>	<p>the purview of pre bid queries.</p>
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					<p>not a final award letter. We will form SPC and will be submitting PBG from the newly formed SPC to sign the agreement. Project development fee is too high and we have to submit the contract agreement to our bankers for arranging the fund of this magnitude.</p>	
3	Package 1& 2	Page No. 12 of RfP, clause no 1.2.12	In addition to the project development fee, the selected bidder would be required to pay a project structuring & financing fee to IIDC – 0.75% on debt value.	Should be deleted	<p>Since the selected bidder is already paying the project development fee to IIDC, and the responsibility of structuring &amp; financing will be taken care by the selected bidder, then why we have to pay more just to increase the tipping fee? And what is the role of project developer in our funding arrangements?</p>	<p>No Change.</p> <p>However the Successful Bidder can take up the matter with DoLG at later stage.</p>

					Please provide information on procedure adopted to calculate the debt details? Is this 0.75% also applicable on the vehicle loan that we take for purchasing logistics /vehicles?	
4	Package 1& 2	Page No. 14 of RFP, clause no 1.4.1	Proposal submitted by a consortium	Forming consortium is open for all the bidders	We suggest that bidders who are qualified in the RFQ stage will follow their previous consortium since they were qualified with that consortium in RFQ stage.	It is to be noted that no change in Consortium shall be allowed at this stage.
5	Package 1& 2	Page No. 15 of RFP, clause no 1.4.3	Any entity which has been barred by DoLG, MCA, any other cluster ULB or government of Punjab.	If we have been debarred by any other government / semi government in any other state; are we permitted to bid for this project? Also are we permitted to bid in case the debarring period is over at	Just to make it clear.	Addendum to be noted to Clause 1.4.4 of RFP (for both Packages ) “  <i>Any entity which has been barred by DoLG, MCA, any Other Cluster ULB, or Government of Punjab from participating in any projects (BOOT or otherwise) would not be</i>

				the time of submission of this proposal?		<p><i>eligible to submit the Proposal, either individually or as member of a consortium.</i></p> <p><b>Modified Clause</b></p> <p><i>“Any entity which has been barred by DoLG/, MCM, any Other Cluster ULB, or Government of Punjab from participating in any projects (BOOT or otherwise) or barred by any State/Central Government &amp; their Agencies from bidding/ participating in MSW Project shall not be eligible to submit the Proposal, either individually or as member of a consortium.”</i></p>
6	Package 1& 2	Page No. 19 of RFP, clause no 1.14.5 (v)	Bid Security Shall be forfeited - If the proposal submitted by the bidder is declared non-responsive/qualified/conditional by DoLG; or if the proposal is not in the format (s) provided in the RFP	Kindly clarify this clause.		No Change.
7	Package 1	Page No. 34 of agreement, clause 7.7	User Charges	Kindly clarify that user charges will be inclusive of tipping fee or it	We suggest that bidder should quote the rate excluding user charges. i.e.	Is to be noted that the applicable User Charges approved by the House of Concessioning Authority;

				<p>will be separate from the quote of bidder? Kindly provide user fee tariff. What will be the enforcement support from MCA for waste generators who do not pay? Will MCA take the responsibility of informing citizen regarding levying of such user fee and making it strict and mandatory?</p>	<p>bidder will get tipping fee from government + user charges from citizens; to make the project more sustainable with some assured income from government.</p> <p>User fee collection is a procedure that is never been successful in any city due to poor enforcement support. User fee should be collected by MCA directly from waste generators through water/ electricity/ property tax bill, which will be an easier process.</p>	<p>shall be collected by the Concessionaire (Selected Bidder) and has to be deposited in account of Concessioning Authority (Municipal Corporation of Amritsar) .The Tipping Fees shall be separately paid by MCA.</p> <p>The same mechanism shall be applicable to other Cluster ULB's</p> <p>Accordingly following Addendum is to be noted in the documents:</p> <ol style="list-style-type: none"> <li>1. <b>RFP - Annexure 6B , point vii last point</b> <i>“Revenue Generation from User Charges as per provisions of approved door to door policy and specified in draft Concession Agreement – To be deleted</i></li> <li>2. <b>Concession Agreement clause No.2.1.2 (f) .....</b> <i>“to exclusively collect User Charges from</i></li> </ol>
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						<p><i>Waste Generators, and appropriate/retain and utilize the same at its own discretion;” – Deleted</i></p> <p><b>3. Concession Agreement clause No.7.7</b> – <i>“Starting from Compliance Date C&amp;T and during the entire Concession Period, the Concessionaire shall, be entitled to exclusively collect User Charges from Waste Generators and appropriate/retain and utilize the same at its own discretion;”- Modified</i></p> <p><i>“Starting from Compliance Date C&amp;T and during the entire Concession Period, as the per House Resolution of Concessioning</i></p>
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*Authority, the Concessionaire shall, be entitled to collect User Charges from Waste Generators and shall deposit in account of Concessioning Authority;”*

**4. Concession**

**Agreement clause No.8.2 (iii)** “ *any civil commotion, boycott or political agitation which prevents collection of User Charges by the Concessionaire for an aggregate period exceeding 30 (thirty) days in an Accounting Year;”*

**Deleted**

**5. Waste Offtake**

**Agreement clause No. 2.1.2 (d)** “*to exclusively collect User Charges from Waste Generators within the Authority Supply Area, and*

						<p><i>appropriate/retain and utilize the same at its own discretion;” Deleted</i></p> <p><b>6. Waste Offtake Agreement clause No. 7.6</b> “ <i>Starting from Compliance Date CT&amp;D and during the entire Authorisation Period, the Concessionaire shall, be entitled to exclusively collect User Charges from Waste Generators of Authority Supply Area, and appropriate/retain and utilize the same at its own discretion;”</i></p> <p><b>Modified</b></p> <p><i>“Starting from Compliance Date C&amp;T and during the entire Concession Period, as the per Directions of Authority, the Concessionaire</i></p>
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						<p><i>shall, be entitled to collect User Charges s from Waste Generators of Authority Supply Area, and shall deposit in account of Authority;”</i></p> <p>The Tipping Fees shall be separately paid by Authority.</p> <p><b>7. Waste Offtake Agreement clause No. 8.2 (iii)</b> <i>“any civil commotion, boycott or political agitation which prevents collection of User Charges by the Concessionaire for an aggregate period exceeding 30 (thirty) days in an Accounting Year;”</i></p> <p><b>Deleted</b></p>
8	Package 1	Page No. 85 of agreement; annexure 8, Data Sheet	Project Development Fee @4.5% of total project cost Rs. 20,078,755/-	For 50 Tonnes waste transportation, capital cost is shown as just 3.05 Crores. That means for balance 600 Tonnes it should be 6 times more making the project cost just 21 Crores. Kindly provide details of 40.26 crores. For 650	No change, The Project Cost for Amritsar city is based on the DPR approved under JNNURM.	

				<p>Tonnes C&amp;T infrastructure maximum capital cost required will be 20 crores out of which 50% we have already invested for 310 Tonnes which we are executing as on date. We invested 8.3 Crores for 310 Tonnes. Please provide detailed information.</p> <p>DPR submitted by ECOSAVE included infrastructure such as Mechanized refuse transfer station, RCC container platforms, Workshop development, litter bins, handcarts/ rickshaw's for sweepers, logistics for debris etc which are not a part of this project so why are we forced to pay 4.5% on infrastructure which we are not going to purchase?</p>		
9	Package 1		Performance Bank Guarantee	<p>In C&amp;T project, the investment for entire infrastructure is done by the contractor. There are no capital reimbursements from Govt. Maximum risk is taken by the contractor. So please make the PBG value to a nominal 5% of yearly contract</p>	<p>This will reduce the tipping fee and will also assist the contractor to concentrate on arranging funds required for successful project implementation.</p>	No Change , as per RFP

				value.		
10	Package 1		Is collection of swept waste directly from manual sweepers a part of the contract?	Are we supposed to provide collection trucks/vehicles to the labours that are involved in sweeping of roads? Is it a part of the contract?	According to our experience all across India, swept waste is dumped/ deposited at the nearest waste collection bins/ containers by sweepers by deploying their own handcarts/ wheel barrows which is provided by corporation.  But strangely in Amritsar the labour union is not in favour of deployment of wheel barrows/ handcarts making it mandatory for the transportation contractor to provide door to door collection vehicles to the sweeping labours to collect the swept waste directly from	Please refer the definition of Project as per RFP (Recital 1 , 4 <sup>th</sup> Point)  “Transportation of MSW, street sweeping, drain desilting waste and horticulture from Secondary Collection Points and from road side heaps in Other Cluster ULBs to the Processing Facilities,”  Accordingly, the collection of swept waste directly from manual sweepers is a part of the contract.

					labours. This process reduces the efficiency of door to door collection vehicle by 40%. This is a process that we do not appreciate or promote. We are helpless in the remaining areas of Amritsar as on date since the labours are not provide with required infrastructure such as wheel barrows/ handcarts. Please clarify the same after discussing with MCA officials.	
11	Package 1		Page 7, Transportation of MSW, Street sweeping,	Is Manual sweeping a part of the contract?		Please refer the definition of Project as per RFP (Recital 1 , 4 <sup>th</sup> Point)  “Transportation of MSW, street sweeping, drain desilting waste and horticulture from Secondary Collection Points and from road side heaps in Other Cluster ULBs to the Processing Facilities,”

						Accordingly, manual sweeping is not a part of the contract.
12	Package 1		Payments from other cluster ULB's	Will Amritsar corporation pay for the other cluster ULB's as well? Or do we have to claim payments from other cluster ULB's directly?	Please ensure one window payment mechanism since it is very difficult/lengthy process to get payments from individual ULB's. This project is supposed to be verified/ inspected by an independent engineer and not by corporation officials. In such case why is it linked with individual ULB'S?	No Change.  The separate mechanism of payment for Amritsar city and other cluster ULB's has to be done as per clause 7.3 of Concession Agreement and Waste Offtake Agreement respectively.
13	Package 1		Project implementation period – 60 days	60 Days is too less to arrange funds, to procure vehicles, to complete the rear body manufacturing works, to transport to the site, to complete vehicle registration procedures etc.	Minimum period of 4 months is required for commencing the project with new infrastructure.	No Change.

14	Package 1		Scope of work : Provision of twin bins to the waste generators of 5L capacity	Kindly delete this scope of work. Life of these bins is not more than 6 months to 1 year. It is vey difficult to keep inventory of the same and to keep replacing them. More over the DPR says one time supply, which will not solve any purpose. What is the proposed frequency for replacement?		No Change.
15	Package 1		Weigh Bridge mechanism	Who will be responsible for provision of weigh bridge mechanism? Who will operate and maintain the same?	Weigh bridge should be 24 hours operational. Waste transportation in the night hours should be permitted. MCA shall be responsible for O&M of the same.	No Change  Refer Annexure 13 of Concession Agreement  “For measurement of MSW, the Concessionaire shall abide by the weighbridge facility provided by the Concessioning Authority at the Processing Site.....”.  “.....The Project Engineer on behalf of Concessioning Authority shall be a responsible



						person to monitor the operations of the Weighbridges. The Weighbridges shall be monitored and inspected regularly to ensure its due calibration and accuracy and any errors shall be rectified within 24 hours The Daily Weight Sheet shall be final and binding on the Parties.”
16	Package 1		DPR made by ECOSAVE systems was submitted 2 years back in which designs of equipments/ machines proposed for the C&T work is of low quality and wrong designs for a successful project implementation. Contractor should be permitted to design/ submit latest designs/ technologies for equipments/ logistics/ machineries to be deployed for the project.		As per Approved	No change and as per DPR Approved Under JNNURM and provided as part of IV (A) of RFP.  As per clause 1.1.5 of RFP Bidders may carry out their own independent investigation and assessment of the Project before submitting the Bid.
17	Package 1	Page no. 114 of agreement, Annexure 23 – CA Vehicle	The concessionaire has to purchase vehicles.....	Is it mandatory to purchase all the available vehicles? We request you to give us flexibility to purchase the vehicles as per the project requirement.	Entire fleet owned by MCA at present is not meeting SWM rules and regulations. None of them are covered. All higher capacity vehicles can be used by MCA for debris	No Change, further clarified as per annexure 23 of Concession Agreement  “ The Concessionaire <b>has to</b> purchase vehicles, on as-is-where-is basis from the list and the rates given against each vehicle in

					transportation. We request you to give us flexibility to decide whether to take over the infrastructure or not. Value shown for MCA owned fleet is exaggerated. Current market value of those infrastructures is not more than 25% of proposed value.	<p><b>Table 1</b></p> <p>And</p> <p>The Concessionaire <b>can select and purchase vehicles</b>, on as-is-where-is basis from the list and the rates given against each vehicle in <b>Table 2</b></p>
18	Package 2	point 44 in “Summary of key component” in DPR for AMRITSAR	Is there any grant/scheme/support by the government for the waste to energy solution for the disposal of the waste in the similar line which was existing earlier			For the Package 2, a grant of 25.24 crores is available for processing and disposal technologies suggested in DPR approved under JNNURM project. No other grant for the project is available
19	Package 1& 2	If the bidder shortlisted for both the packages and would like to bid for any one package?				Yes, both package 1 package 2 of the project are independent and the selection of bidder is through separate bidding process.

20	Package 1& 2	Are the grant available for each package is different? If yes then how much for each of them?	For the Package 2, approved JNNURM grant of 25.24 crores is available. No grant is available for Package 1.
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For submission of RFP proposal for Package 1 and Package 2, Bidders has requested for 45 days extension from date of issuance of minutes of pre bid meeting. As per discussion with DoLG and IL&FS IIDC recommendation, Commissioner Municipal Corporation of Amritsar has extended the submission date from 8<sup>th</sup> July'11 to **15<sup>th</sup> July'11**.

**ANNEXURE – A**

**LIST OF PARTICIPANTS OF PRE-BID MEETING FOR  
“MUNICIPAL SOLID WASTE MANAGEMENT PROJECT FOR PACKAGE 1 AND  
PACKAGE 2 FOR AMRITSAR CLUSTER IN PUNJAB”**

**Venue:** Meeting Room of, Camp Office of Commissioner of Municipal Corporation of Amritsar.

**Date:** 4<sup>th</sup> July 2011, Time 11:00 AM

<b>S. No.</b>	<b>Name of Participant</b>	<b>Organisation</b>
<b>A. Govt Representatives</b>		
1.	Mr. DPS Kharbanda	Commissioner of Municipal Corporation of Amritsar
2.	Mr. Jaswinder Singh	Superintendent Engineer, O&M
3.	Dr Yogesh	Medical Officer, Municipal Corporation of Amritsar
4.	Mr Rajesh Kokkhar	Executive Officer of Municipal Council of Patti, Municipal Council of Jandiala, and Nagar Panchayat of Khemkaran
5.	Mr. Manmohan Singh Randhawa	Executive Officer of Municipal Council of Majitha, Municipal Council of Tarantaran and Nagar Panchayat of Raja Sansi
6.	Mr Balwinder Singh	Superintendent , Office of Deputy Director , For Deputy Director
7.	Mr. Manmohan Singh	Executive Officer, Nagar Panchayat of Rayya
<b>B. IL&amp;FS IDC Representative</b>		
8.	Ms. Kamna Swami	Project Manager for IL&FS IDC Limited
<b>C. Participation from Bidders</b>		
9.	Mr Manjinder Singh	M/s Antony Waste Handling Cell (P) Ltd.
10.	Mr. Vivek Prasad	M/s Rochem Separation Systems Pvt. Ltd.
11.	Mr. Yogesh Rattan	M/s A2Z Infrastructure Ltd
12.	Mr Rohit Bali	M/s Ramkey Enviro Engineers Ltd
13.	Mr Narendra Pal	For M/s Gujarat Enviro Protection and Infrastructure Ltd
14.	Mr Piyush	M/s KRL Infratech India Limited
15.	Mr Kamlesh Jain	M/s PNC Infratech Limited