



Government of Odisha
Works Department.

No. EAP 35/12 4489 /W., Dated, the

26.4.12

Sri M.Naik,
Under Secretary to Government.

To

The Chief Engineer,
World Bank Projects, Odisha, Bhubaneswar.

Sub: Proceedings of the 7th. Meeting of the SLEC for Odisha State Road Project held on 12.04.2012.

Sir,

I am directed to send herewith a copy of the proceedings of the meeting of the State Level Empowered Committee held on 12.04.2012 at 6.00 PM in the 2nd. Floor Conference Hall of the Secretariat under the Chairmanship of Chief Secretary, Odisha for information and immediate action.

You are, therefore, requested to furnish the compliance report in the matter to this Department immediately.

All concerned may also be intimated accordingly.

Yours faithfully,

[Signature] 28.4.12
Under Secretary to Government.

26.4.12

Memo No. 4490 /W., Dated, the

Copy with copy of proceedings forwarded to Private Secretary to Chief Secretary, Odisha for information of Chief Secretary.

[Signature] 28.4.12
Under Secretary to Government.

Copy
Sri S. Swain AE.

for ref. in
social expert file
[Signature]
25/12

Sri [Signature]
[Signature]

copy to SDS re: S-A.
[Signature]
451

Copy to Sr DAO/ Er M.R. Misra EE/
Dy Com LA/SLAO/FA for i ana.

with Sri Muduli G. & SLEC file to EE-11.

[Signature]
30/4/12

**PROCEEDINGS OF THE 7th MEETING OF THE
STATE LEVEL EMPOWERED COMMITTEE (SLEC) FOR ODISHA STATE ROADS PROJECT
HELD ON 12TH April 2012**

The seventh meeting of the State Level Empowered Committee (SLEC) constituted by the Government to monitor the implementation of the World Bank financed Odisha State Roads Project (OSRP) was held at 18.00 hours on 12th April, 2012 in the second floor conference hall of the State Secretariat under the Chairmanship of the Chief Secretary, Odisha. The list of Members present in the meeting is annexed at Annex- 1.

At the outset, the EIC-cum-Secretary, Works Department welcomed all the members of the SLEC and informed about the status of various activities of OSRP.

1. Compliance to the Eight Actions indicated by the World Bank for Lifting Suspension of Disbursement of Loan

It was apprised that five out of the eight actions have been complied and have been acknowledged by the Bank. The other three issues namely ensuring execution of civil works with due regard to quality, safety, environment safeguards and legal opinion on rights, non performance of lead partners of JV were discussed.

a. Execution of civil works

In package P01, the achievement has gone up to 30% of Contract amount, whereas in P02, the progress is still hovering around 16.5% only and the work is in a stand still position since last February. As regards milestone 1 of both these packages, the completion date was February 28, 2012, which the contractors have skipped. The arrangements made by both the JV contractors to achieve the progress still seem to be inadequate and insufficient. No activity happens on the work sites for days together due to absence of labour or material supply. In such a scenario, successful completion of the packages is highly improbable. As per the contract clauses and as suggested by the Committee, delay damages have been imposed on the Contractors from February 29, 2012.

In P02, the road maintenance was not done by the contractor even after numerous instructions and the work had to be finally taken up by the Department in order to avoid traffic disruption in the area as well as save the road from further deterioration as per contractual provision.

b. Ensuring execution of civil works with due regard to quality, safety, environment safeguard

Performance of the Contractors with regard to quality, safety and environment safeguards is not up to the standards in spite of repeated instructions from the Employer and Engineer. Imposition of penalty also could not bring the desired outcome and no improvement has been seen in the field.

c. Contract management for the JV Lead partners

The lead partners of the JVs have not discharged their contractual obligations. Contract Management Meetings have been held and notices have been served to the lead partners for extending their share of resources in order to propel the project forward. Till today, no response has been received from the lead partners. In P02, the representative of the lead firm stated clearly that their role is only to extend contractual support during the Bank Mission. This fact was not known to the Employer and has been construed as willful wrong representation of facts regarding the roles of the lead partner, who

happens to be the partner in charge of the contract. Such deliberate concealment of facts with intention to mislead the Employer amounts to fraud.

Poor performance of the contractors has put the project in jeopardy and there is little hope for completion of the project in time and inconformity to the standards for quality, safety and environment. The JV contractor could not perform in spite of continuous efforts from the Employer.

It was decided to move for termination of the contracts of both these packages P01 and P02.

d. Other Consultancy Services

The consulting agency for balance civil works has signed the Contract on March 12, 2012 and has mobilized his office at Bhubaneswar. It has completed the field visit and is going to take over the charge in the next week. The ISAP consultants for Road User Satisfaction Survey, Road Sector Institutional Development, IT/ICT/MIS also have signed the contracts and started mobilizing.

2. Procurement of Social Expert

In the last SLEC it was decided to procure a social expert for a period of four months at Rs.30,000/- per month for updating the Rehabilitation Action Plan (RAP) of Jagatpur-Chandbali road. This decision was communicated to the World Bank and the Bank has modified the terms of reference and scope of service and enhanced the qualification for such a specialist and suggested some names. Complying with the requirements of World Bank Procurement process for an individual consultant, Mr. Kirti Bas, has been selected for the assignment after the evaluation process done by the Evaluation Committee, but Mr. Kirti Bas has asked for a non-negotiable remuneration of Rs.80,000/- per month.

The Committee approved the engagement of the consultant at the rate of Rs. 80000/- per month for 4 months to update the RAP.

3. Action Plan

An action plan had been shared with the Bank for completing certain activities within the next four months following the Bank's Mission in February. The actions and status thereof have been provided in Annexure -2.

After deliberations, the Committee decided to initiate steps for termination of the contracts. It insisted on completing other tasks in time.

4. Restructuring Proposal

As per the earlier proposal, eight roads have been selected from the core road network. The list is provided below.

a. Kandarpur-Machhagaon Road	SH-43	46km
b. Raj Athagada-Narsingpur.	SH-65	76km
c. Godbhaga-Turum Road.	SH-54	42km
d. Barkot-Lahunipada Road	SH-10A	49km
e. Badasankha- Hinjili- -Sorada Road	SH-36	40km
f. Karamdihi-Talsara-Lulukidihi.	SH-24	52km
g. Pipili-Nimapara-Gop Road	SH-13	30km

The Committee had suggested earlier to include Khurda-Jatni- Pipili-Nimapara-Gop Road in the earlier proposal and explore the possibility of making some of the roads two lane. It was explained that the road from Khurda to Pipili can not be widened to double lane without resettlement as it passes through a lot of habitations. Also, there is a road under bridge in Jatani where the road is narrow and the same can not be widened under maintenance. However, the road from Pipili to Gop and Gop to Konark can be made double lane and therefore the road from Pipili to Gop for 32 km was included. The committee instructed to complete this work before the ensuing *Navkalebar* festival of Lord Jagannath.

The Chief Engineer, World Bank Projects explained that as a pilot project, the Raj Athagarh – Narasingpur Road has been taken up for preparation of drawing and estimate, and the report would be ready by next week.

5. Issues Related to R&R Activities

In its aide memoire of February 2012, the World Bank has reiterated payment of cost of House-site to squatters and titleholders of land in conformity with the provisions of the Project Appraisal Document. In the last SLEC of 24.01.2012 it was decided not to pay cost of house site in case of re-encroachment of adjacent Government land and resettlement on the remaining portion of the land after acquisition. The Revenue Department in its letter No. 7927 Dt.25.2.2012, has clarified that in a linear project, a portion of a plot, when acquired, becomes the project area. Displacement from such part shall also make the title holder a displaced person and he becomes eligible to get full entitlement for the house site. The Committee decided to pay assistance to such titleholders as per the entitlement framework.

In case of squatters, the World Bank mission, has asked either to regularize the plots re-encroached by the squatters or to pay them cost of site. The roadside land is mostly of *Road, Nayanjori* or other objectionable *Kissam*. As, such land cannot be settled, it was decided to pay cost of House site to squatters at the rate as per rule to the extent of land from which he is displaced.

The Grievance Redressal Mechanism (GRM) prescribed in the RAP was discussed wherein provision of four levels of grievance redressal committees was made. However, convening frequent meetings of the RPDAC, SLAC and SLCRR for the redressal is difficult as it involved members/functionaries from different departments and elected public representatives. Meanwhile, Government has introduced the Complaints Handling System (CHS) as per the suggestions of the World Bank. Chief Engineer World Bank Projects explained the GRM now adopted by the PMU under the CHS to address complaints related to alignment, enlistment as a beneficiary and valuation of structures, which are being promptly addressed in co-ordination with the District Authorities. The practice has been found adequate and effective. World Bank desires formal approval of the system in SLEC.

The Committee approved the GRM adopted by the PMU in principle.

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



Chief Secretary, Odisha

ANNEXURE - 1

LIST OF MEMBERS WHO ATTENDED THE SLEC MEETING ON APRIL 12, 2012

1. Sri Bijaya Kumar Patnaik, IAS, Chief Secretary
2. Dr. R.N. Senapati, IAS, D.C.-cum-A.C.S.
3. Sri J.K.Mohapatra, IAS, Principal Secretary to Govt., Finance Department
4. Sri D. Dash, Principal Secretary to Govt., Law Department
5. Dr. Taradatt, IAS, Principal Secretary to Government, R & D.M. Department
6. Sri B. P. Singh, Special Secretary to Govt., Forest & Environment Department
7. Sri S. K. Ray, EIC-cum-Secretary, Works Department
8. Sri N.K. Pradhan, Chief Engineer, World Bank Projects, Odisha
9. Sri B. K. Behera, Chief Engineer, D.P.I. & Roads, Odisha

Status of Action Plan on April 12, 2012

<u>Sr. No.</u>	<u>Action</u>	<u>Status</u>
1	Applying Appropriate Legal/Contractual Remedies by March 31, 2012	Notices have been issued to the contractors.
2	Achieving a minimum of 20% progress by March 15, 2012.	There has been severe setback in the progress
3	Sign Contract for Consulting Services for the Construction Supervision of the balance Civil Works by February 29, 2012	The consulting agency for balance civil works has signed the Contract on March 12, 2012 and has mobilized since March 21, 2012.
4	Sign the contract for Consulting Services for the Odisha Road Sector Institutional Development by February 29, 2012	The consulting agency has signed the Contract on March 12, 2012 and has mobilized since April 09, 2012.
5	Ensuring Quality, Safety and Environmental Safeguards by March 31, 2012	Not Complied by the Contractors
6	Removal of all pending encumbrances of P01, P02 & P03 by June 15, 2012	Action has been taken up by the PMU, OSRP and it is likely to be materialized with the intervention of the Revenue Department. The Principal Secretary, Revenue & Disaster Management Department promptly assured to extend the necessary help to complete such infrastructure projects.
7	Setting a target for physical progress, P01 - 35% and P02 - 30% by May 31, 2012	The overall progress in P01 may reach 35% but the milestone will not be achieved. It is not possible to achieve the target in P02.
8	Monitor Progress closely	Action initiated.
9	Engage third party in all three contracts, in accordance with the contractual provisions to carry out maintenance, which has been neglected by the contractor by March 31, 2012	Maintenance is being done by the contractor in P01. Third party has been engaged in P02. Since the contract has been terminated in case of P03, the repair work has been taken up by the Executive Engineer, Ganjam R&B Division No.1.
10	Expediting Procurement of P03 :	Submitted on February 21, 2012 in ICB

	<i>Submission of draft bidding documents to the Bank by February 20,2012.</i>	format; revised document in NCB format sent on March 23, 2012. Bank has sought some more clarifications; the compliances shall be sent by next week.
11	Expediting Procurement of P04 : <i>Submission of draft bidding documents to the Bank by February 29,2012</i>	Draft Bidding Document submitted on February 28, 2012 in ICB format; compliance sent on April 04, 2012.
12	Award of NGO Contract by June 30, 2012	Tender in Process.
13	<p>A proposal to strengthen project and contract management, endorsed by the SLEC to be submitted to the Bank. The Proposal shall contain following time-bound action.</p> <ul style="list-style-type: none"> • <i>Engage and maintain a reputed and qualified Contract Management Expert</i> • <i>Monthly SLEC Meetings</i> • <i>Set and closely monitor target to award the P03, P04, CSC for P04, NGO for P04</i> • <i>Deploy all required staff and resources to meet the target of procurement of various works/services</i> 	<ul style="list-style-type: none"> • Terms of Reference is with the bank for no objection • Being conducted • Action initiated • In process