**MINUTES OF THE STANDARD BIDDING DOCUMENT REVIEW COMMITTEE**

**MEETING NO. 05/2013**

**Venue** : Addl.GM (Sewerage) Office

**Date** : 28-05-2013

**Time**  : 01.30 p.m

**Present**

1. Eng. G.A. Kumararathna - Addl. GM (Sew) - Chairman
2. Eng. D.S.D. Jayasiriwardene - Addl. GM (S/E) - Member
3. Eng. K.R. Dewasurendra - Addl. GM (CS) - Member
4. Eng. (Mrs) K.T.P. Fernando - DGM (PC) - Member
5. Eng. R.H. Ruvinis - DGM(P & D) - Member
6. Eng. U.C. Pathiranage - AGM (P&D-Doc) - Member
7. Eng. R.A.A. Ranawaka - AGM (T&C) - Member
8. Mrs. A.P.S. de Silva - AGM (F) - Member
9. Eng. S.S.S. Vipulanandan - AGM (Procurement & Contract) - Member
10. Eng. K.H. Nandisena - CE (Doc) - Secretary
11. Eng. (Mrs) M.L. Wijesinghe - Eng. (Doc)

**Absent**

1. Eng. M. Abeysekara - AGM (M&E-Services) - Member

**Also circulated to:**

Chairman, Vice Chairman, Working Director

General Manager

Addl. GMM (WSP, P&P, Western, N/C)

DGM (Dev)/ (M&E)/(F), DGMM (RSC) – [Western – C, Western N, Western S, Southern

Uva, Sab, Central, NW, NC, North, East, Production]

AGMM (P&D), Specialists

Project Directors, AGM (Supplies) / (MPD&T)

1. **Confirmation of Decisions**
	1. **Previous minutes were confirmed**
2. **Specifications**
	1. **Ferrules**

AGM (M&E Services) has forwarded a Tender Document utilizing the new specification for Supply of Ferrules for comments. The same format of Water Meter Document has been used for this document also.

Therefore, corrections made to Water Meters Document also applies here.

* 1. **Revision of ICTAD Specification Water Supply & Drainage Works**

ICTAD has requested NWSDB to revise the specification for Water Supply & Drainage works.

Chapters of the specifications have already been given to DGMM (RSC)/PD and other Engineers of Water Board for their comments. In addition, three committees were appointed to go through chapters and comments of DGMM (RSC)/PD’s and others who were given some chapters. The committees to list the chapters commented and to tabulate the changes.

These draft chapters will be discussed at a Workshop to finalize the specification.

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| The committee chaired by DGM (W-S) has discussed their comments and to finalize the relevant part. The committee chaired by AGM (P&D-W) will discuss their comments on 31st May 2013.  |
|  **30-06-2013** | **Action:** **AGM (Doc)** |

1. **Pre-qualification (PQ)**
	1. **PQ of Couplings & Flange Adaptors**

Specifications for following couplings have been prepared and circulated among SBDRC members.

* Stepped Couplings
* Couplings
* Flange Adaptors
* Couplings & flange adaptors for PE & PVC

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| SBDRC members to give their comments within a week. PQ committee to scrutinize the specifications.  |
| **15-07-2013** | **Action:****AGM (Doc)** |

**4. SLS Standards**

**4.1 a) Establishing SLS Standards for Water Fittings**

Greater Kandy Water Supply Project (GKWSP) works towards to reach the goal, “Procurement of quality goods and services to assure sustainable supply of water for all”.

 Secretary to the Treasury agreed to declare the following list of items to be declared as controlled items. SLS Standards to be introduced for those items.

 A list of mandatory items which were not agreed by the M&E Services Section has been brought to the notice of the Standard preparation Sub Committee at SLSI.

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|  | **Item** |  | **Current HS Codes** |
|  | Cisterns  |  | 8481.80 |
|  | Domestic ball float valves |  | 8481.80 |
|  | Bib taps (swan neck valves, kitchen taps, etc.) |  | 8481.80 |
|  | Bidet shower |  | 8481.80 |
|  | Stop valves and ball cock |  | 8481.80 |
|  | Clamp saddles |  | 8481.80 |
|  | Ferrules |  | 7415.33.90 |
|  | Domestic water meters and bulk flow water meters |  | 9026.10 |
|  | Angle valves |  | 8481.80 |

The four draft standards namely,

1. Draw off taps and stop valves for water services
2. Copper Alloy Building Servicing Valve
3. PVC Ball Valves with Service Connection of threaded sanks or solvent cement welding for Domestic Water Supply
4. Globe, check and Gate Valves of Copper Alloy body for Domestic and Industrial purposes

 discussed at the SLSI and comments were given.

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|  The working committee of the SLSI to consider the comments and draft to be finalized.  |
| **20-07-2013** | **Action:** **PD (GKWSP)** | **Follow up:****AGM (Doc)** |
| An awareness programme on the procedures has been arranged held for the suppliers/Manufacturers. The SBDRC was in the view that the SLSI and Sri Lanka Customs shall do presentations on their procedures in the awareness programme. Necessary modifications in the agenda to be adopted accordingly. |
| **11-06-2013** | **Action:** **Addl. GM(S/E)/PD (GKWSP)** | **Follow up:****AGM (Doc)** |

**4.1 b) Acquiring necessary testing facilities for testing of products according to**

 **standards.**

SLS has sent a letter (RSC-C/Gr.Kandy/Con/129A(5519)) to PD-GKWSP informing that the necessary testing facilities for testing of products in par with the new SLS standards for procurement of quality goods shall be acquired by the Board.

 SBDRC discussed the issue and decided to check the possibility of handling this type of testing by accredited agents such as SGS/Veritas and ITI etc. to test the lots within a short period. A list of required tests to be prepared for each item.

In addition, to get an idea of the volume of testing items, past records of imported items from the custom, to be obtained tabulated against each item. Further the testing equipment required and the testing time of each item to be tabulated separately to see the possible way of implementing the process.

This issue was discussed at a meeting chaired by the DG/Imports and Exports Control Department with participation of SLSI/Customs Department/Trade & Tariff/Industrial Development /Ministry of Water Supply & Drainage/NWS&DB. As the goods cannot be kept in ships or warehouses for longer period, speedy action to be taken to release them. Testing will take longer time period.

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| Hence the SLSI has decided to appoint accredited laboratories in other countries to carry out the required tests for the goods imported and the lots to be released on the production of certificates from those laboratories.  |
| **30-06-2013** | **Action:** **PD (GKWSP)** | **Follow Up:**  **AGM (Doc)** |

**4.2 Draft of Sri Lanka Standards for Potable Water**

 **i) SLS 614 Part 1-Physical and Chemical Requirements**

 **ii) SLS 614: Part 2 : 1983 – Bacteriological Requirements**

SBDRC appointed a committee comprising Specialist for Water Treatment together with AGM (R&D) and Chief of Laboratories to review the changes and to comment.

Several Meetings were held among the Addl. GM (SE), Addl. GM(C/S), AGM (R&D), Chief of Laboratories and Water Treatment Specialists to discuss the recommendations before meeting SLSI. The committee has discussed but could not agree with SLSI to have permissible levels of parameters instead of having only the preferable levels in the revision. SLSI has asked the NWSDB to gazette the NWSDB Standard with permissible levels if necessary and confirmed that the SLSI standard does not have a legal validity. The legal validity of the SLS Standards to be obtained in-writing from SLSI.

A grace period of 05 years to be requested at the next meeting to do the necessary modifications in the treatment plants in order to meet the requirements of the proposed standards.

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| 1. NWSDB to write a letter inquiring the legal validity of the SLS standard.
2. NWSDB to discuss on a grace period of 05 years.

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| **30-06-2013** | **Action :****AGM (Doc)** | **Follow up:****Addl. GM (CS)** |

**4.3 SLS for PE Pipes and Fittings (EN 12201:2011)**

The Committee appointed to recommend appropriate standard out of ISO 4427 and EN 12201 for PE pipes, has recommended EN 12201:2011 to be used in the NWSDB Specifications for PE pipes, since specifications given in EN Standards are more appropriate to apply initially in water and sewerage industry in Sri Lanka. SLS may consider this as the National Standard for PE pipes. SBDRC accepted the specification committee recommendation.

A letter has been sent to SLSI stating above details and requesting them to adopt SLS 12201:2011 as Sri Lankan Standard. SLSI has responded that their reviewing the standard.

The SLSI has informed NWSDB by their letter No. SC/01 dated 2013-05-14 stating that they have initiated actions to develop SLS Standards for PE pipes. The drafting committee will go through EN 12201 and will decide whether to adopt EN standard or to develop SLS standard based on EN standard.

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| Follow up with SLSI. |
| **30-06-2013** | **Action:** **AGM (Doc)** |

**4.4** **Draft Sri Lanka Standard of Specification for Unplasticized Poly(Vinyl Chloride) Pipes for water supply and for Buried and above ground Drainage and Sewerage under pressure(Third Revision)-(SLS 147:2012)**

The Draft Sri Lanka Standard of Specification for Unplasticized Poly(Vinyl Chloride) Pipes for water supply and for Buried and above ground Drainage and Sewerage under pressure(Third Revision)-(SLS 147:2012) was circulated and discussed in the SBDRC. The draft was reviewed against the currant SLS147 standard(2nd revision) and ISO 1452 standards which was referred in the new draft. A summary of the review was circulated among the members at the SBDRC meeting No. 03/2013.

Addressing of the raw material quality and the thickness change to be checked.

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| The thickness change and the raw material quality to be discussed further.  |
| **28-06-2013** |  **Action :**  **AGM (Doc)** |

**5. Issues in SBDs**

**5.1 Payment of interest on delayed VAT payments for contractors.**

AGM (Procurement & Contract) has brought up a dispute of payment of delay interest by adding the VAT component. In the view of the AGM (Procurement & Contracts), the VAT is not to be paid as a contractual payment but a statutory payment and the interest shall be paid only for the contractual payment by omitting VAT.

But according to the AGM (F), the interest for delay shall be paid for VAT component as well as according to the financial regulations; the Board is liable to pay VAT on submission of a tax invoice. Hence if the delay is due to the Board, the interest also shall be paid by the Board.

Since the issue is being referred to the adjudication, until the final solutions is announced, AGM(Procurement & Contract) has proposed an intermediate solution to overcome the issue. I.e. to avoid mentioning about VAT payment in the BOQ summary and the Award letter, but instead to state “the rates shall be excluding VAT” at relevant places.

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| The matter to be discussed further.  |
| **28-06-2013** |  **Action:**  **AGM (Procurement & Contract)**  |

**6. Other Issues**

**6.1** **Tapping of Service Connection in Parallel with pipe laying**

It was discussed at the SBDRC meeting that tapping for service connection to be done in parallel with laying of Distribution pipelines to avoid damages to roads again and to minimize public inconvenience, and to avoid possible leaks occurring in future.

The following committee was appointed to study the issues in tapping for service connection in parallel with pipe laying and report to SBDRC.

D.S.D. Jayasiriwardene - DGM (P&D) /Addl. GM(S/E) - Chairman

K.R. Dewasurendra - Addl. GM (CS) - Member

K.T.P. Fernando (Mrs) - DGM (PC) - Member

R.K.L. de Soyza - AGM(S/E) - Member

W. Illangasingha (Mrs) - PD (TSKWSP) - Member

J.P.G. Jayaratne - Snr. Eng. (S/E) - Secretary

The report was discussed at the SBDRC and finalized the report after accommodating the SBDRC comments. The final report, sent to the General Manager was taken at the staff meeting & the Comments were forwarded to the SBDRC.

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| The cost difference between two methods of giving connections to be calculated. Accordingly, the Sub Committee report to be revised. |
| **30-06-2013** | **Action :****AGM (Doc)/Addl. GM(S/E)**  | **Follow Up:** **AGM (Doc)** |

**6.2** **Revision of Total Cost Estimates in order to adjust the cost variations.**

AGM (F) has inquired from the Central Bank of Sri Lanka on the availability of internationally recognized Agency, to find the foreign inflation rate of Donor countries and other project financing countries, and found that there are no such Agencies.

A Board Paper on “Procedure for calculation of Total Cost Estimate, Adopting Escalation” has been forwarded to the GM in order to take up at a Board Meeting. Board has approved it subjected to approval of National Planning Department (NPD).

This was forwarded to the NPD with the Estimate prepared for Matale Water Supply Project as an example.

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| The proposal has to be resubmitted PAC incorporating the comments given in the PAC decision.  |
| **28-06-2013** | **Action:** **DGM (P&D)/AGM (Doc)** |

**6.3** **Delegation of Authority of Employer & the Engineer**

AGM(T&C) pointed out that the forfeiture of bonds and guarantees in NWSDB contracts are done by the relevant regional DGMM though the” Employer” in the document who is the Chairman, NWSDB. As it is difficult to obtain Chairman’s signature by the Regions, it was decided to request to delegate Chairman’s authority of encashment of guarantees to Regional DGMM, with the consent of the Chairman. In addition, the delegation of authority of the “Engineer” in the Contracts to Regional DGMM has not been done in the documents. Chairman has approved the SBDRC recommendation and GM has issued a circular in this regard.

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| The draft of the Board Paper which indicated the delegated activities was circulated among SBDRC members at the SBDRC for comments. Board Paper to be revised based on the comments.   |
| **20-06-2013** | **Action:****AGM (Doc)/ AGM (T&C)** |

**6.5 Recovery of Advance Payment & Deduction of Retention**

CE (Construction – RSC (Central) has forwarded a letter regarding the dispute of the recovery of Advance payment and deduction of retention money from contracts (letter RSC-C/CE/CON/Elpitiya/202-6).

SBDRC has discussed the matter and decided to go by the standard clauses of ICTAD;

1. Recovery of Advance Payment

The mobilization advance payment is paid based on the clause No. 51.1 of the conditions of contracts which stipulates “Employer shall make advance payments to the contractor in an amount equivalent to 20% of the initial contract price excluding provisional sums and contingencies”.

Cl. 51.3 of Conditions of Contract shall emphasize that advance payment shall be recovered when the total certified value of work reaches 90% of the contract price. The advance payment or its repayment shall not be account for in assessing valuation of work done, variations, price adjustments, compensation events, bonuses or liquidated damages.

1. Retention Money

Clause 48.1 (Contract Data) – The retention from each payment shall be 10% of the certified work done and limit of retention shall be 5% of the Initial Contract Price.

According to the procurement manual (reference procurement guideline 5.4.6) retention money shall be deducted from net work done during the period of interim payment before making any adjustment to price fluctuation, VAT and advance payment recovery.

A draft of the reply letter to be sent to DGM (F) stating the SBDRC decision and explaining the clauses was circulated and discussed at the SBDRC.

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| A statement to be added in the letter stating that to “refer the particular conditions of the Contract Document”, in additions to the Conditions of Contract. |
| **28-06-2013** | **Action:**  **AGM (Doc)** |

**6.6 Employment opportunities for retired officers.**

The president of the Water Supply & Drainage Past Executive Officers’ Society has forwarded a letter to GM –NWSDB requesting to amend the contract document to make room for the retired promoted engineers to work with the consultants/contractors in the construction field.

The request was to change the qualification of the Bidding Documents currently stated as “**Graduate Engineers or equivalent qualifications**” to “**Graduate Engineers or equivalent qualifications, or *Promoted Engineers in the NWSDB with proven experience in construction activities”***

The SBDRC discussed this in detail and decided not to amend the statement in the current Bidding Documents.

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| SBDRC comments to be sent to the General Manager. |
| **15-06-2013** | **Action :**  **AGM (Doc)** |

**6.7 Endurance test apparatus for Clamp Saddles.**

 PD (GKWSP) has forwarded a letter on the PVC Clamp saddles. The PD(GKWSP) in his letter has mentioned that the prototype model prepared by the Mechanical Division of the GKWSP to be demonstrated to Dr. Pathirana at the University of Peradeniya.

The AGM (M&E-Services) giving his comments has stated that once the model is done, it has to be calibrated with all the problems which were faced by the NWSDB. These problems to be obtained from Regions. He also has same problems and will be given to PD (GKWSP).

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| The past information of Clamp Saddle failures compiled by M&E Section to be forwarded to PD (GKWSP). |
| **20-06-2013** |  **Action :** **AGM (M&E Services)** | **Follow up :** **AGM (Doc)** |

**6.8 Commissioning & Testing of Meters on Project Test Bench**

The AGM (M&E - Services) has forwarded a letter (No. M&E Services/SBDRC)

to SBDRC stating his views on giving concurrence for testing of meters for Project test bench. The SBDRC has discussed the issue and decided to request the PD (GKWSP) to have a meeting with the NWSDB Chairman, GM and other senior members of the management to decide on the actions of outcome of the tests. Until such time, the tests shall not be carried out.

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| A meeting to be organized with Chairman, GM and other senior members of the management to decide on the action of any outcome of the tests. |
| **30-06-2013** | **Action :**  **PD (GKWSP)** | **Follow up :**  **AGM (Doc)**  |

  **Annex1**

 **PROGRESS OF SBD PREPARATION COMMITTEES**

**As at 28-05-2013**

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| **Sr** **No.**  | **Key** | **Title** | **Progress** | **Action by / Date** | **Present****Status** |
| 01 | D20 | SBD for Water MetersCommittee Chairman –  | Few issues such as definition of Supplier, Manufacturer and separating of “Bidding Data” and Specifications have to be solved. Brief written submission is required from AGM (Doc) and AGM (M&E-Services).Chairman / SBDRC will give a decision.  | AGM (M&E-Services)/ AGM (Doc)30-06-2013 | Chairman SBDRC to finalize |
|  |  | **Addl. G.M.(Sewerage)****Mr. G.A. Kumararathna** |
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| 02 | D22 | SBD for Design & Build – ICTADCommittee Chairman –**DGM (Western-South)****Mr. M.K. Hapuarachchi**  | SBDRC discussed on 03-04-2013. Comments to be included and upload to NWSDB web.  | AGM (Doc)20-06-2013 | To be uploaded to web |

**Outstanding SBDs/Specifications**

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| **S.No.** | **Key** | **Title**  | **% Completion** | **Activity** | **Target Date of the Activity** |
| **SBDs**  |  |
| 1 | D20 | SBD for Water Meters ( ½” & ¾" ) | 98% | \* 2a | 30-06-2013 |
| 2 | D22 | SBD for Design & Build – ICTAD | 98% | \* 3a | 20-06-2013 |
| 3 |  | PQ document for Couplings and Flanged Adapters  | 98% | \* 3 | 15-07-2013 |
| 4 |  | Document for Ferrules  | 90% | \* 2a | 15-07-2013 |
| **Specifications** |  |
| 5 | S12 | Updating Specification in Plant & Design – Build Contract for Civil and M& E Work | 50% | \*1 | 30-06-2013 |
| 6 | - | ICTAD Specifications for Water Supply, Sewerage and Strom Water Drainage Works | 10% | \* 1a | 30-06-2013 |

***Note :***

\*1 - Documents to be submitted to the SBDRC.

\*1a – Specifications to be submitted to a National Workshop.

\*2a – Few issues such as definition of Supplier, Manufacturer and separating Bidding Data and Specifications have to be solved.

 \*3 - SBDRC comments, to be included and send to T&C Section for calling Applications for Pre-Qualifications.

\*3a – SBDRC comments to be included and uploaded to NWSDB web.