

Copy of Reso. No. 08/A-16)
of
Councils Ordinary Meeting
Dated 28/08/2015

ITEM NO 08 (A-16)

1. Name of the Subject/Project
Name of the Work : Designing, installation and Maintenance of Street Furniture and Cleaning & Maintenance of Plaza / Corridor, parking Area, Planters, Subway and toilet in Connaught Place on DBOT basis.
2. Name of the Department/Departments concerned
Civil Engineering Department (Zone-I)
3. Brief History of the Subject
 - 3.1 The Connaught Place area has been Redeveloped by providing Public plazas, Planters, Parking area in front of every block, and the granite finished footpath in inner Circle Radials and Outer Circle. These are to be properly cleaned and maintained. It involve sizeable expenditure every year to achieve the desired standard of house keeping.
 - 3.2 Therefore, it was decided that the public area in Connaught Place (in all twelve Block and Regal Building and P Block) shall be maintained on DBOT (design, built, operate and transfer) basis including the existing toilets in Inner Circle, Middle Circle and Outer Circle, Subways in Outer Circle by successful bidder and the successful bidder shall be allowed to put street furniture (Non advertisement furniture & Advertising furniture with services) to collect the revenue for the financial sustainability of the Project and will share the revenue with NDMC as per the agreement's terms and conditions during the concession period of 15 years.
 - 3.3 The revenue generation source is defined in RFP and the successful bidder is allowed to collect the revenue from Advertisement from permitted street furniture and revenue from limited commercial exploitation of the other area wherever permitted with prior permission of NDMC.
 - 3.4 After approval the RFP, the press notice was published on 24.09.2013 in news paper and NDMC web site. Pre-bid meeting was held on 11.10.2013 with five interested firms. Technical bid of two eligible bidders were opened and evaluated by the sub committee. Then the financial bids were opened of the qualified bidder. The offers were examined in planning and finance department before submitting to the Council for approval.
 - 3.5 Financial Bids were opened and evaluated as per RFP terms & conditions. M/s JCDecaux Advertising Pvt Ltd had become the successful bidder with offer to pay NDMC a concession fee as 20% of monthly revenue earned subject to minimum of

- Rs 5 lakhs per month. The minimum concession fee shall be increased by 10% per year in subsequent years till end of the concession year.
- 3.6 The detailed proposal of the subject/project was put up for approval by council vide Item No 07 (A-15) dated 19.09.2014 and following was resolved:-
- “ Resolved by the Council that the offer of M/s JCDecaux Adverting India Pvt. Ltd. at his quoted concession fee as 20% (Twenty Percent) of monthly revenue earned subject to minimum of Rs. 5 Lakhs (Five Lakhs) per month in the first year. The minimum concession fee shall be increased by 10% of previous year’s minimum fee per year in subsequent years till end of the concession year for this DBOT project having concession period of 15 years.
- Further, it is subject to all rules, regulations and guidelines as specified by the Govt. of India, the Delhi Govt., the Election Commission of India and any other extant Law.
- The Hon’ble MP & Presiding Officer NDMC has asked for all the copies of contracts awarded to the J.C Decaux as of now along with the current one”.
- But the word ‘approved ‘by the council was missing inadvertently. Therefore, it is proposed that the corrigendum through agenda may be placed before the council for the same.

4. Detailed Proposal on the Subject/Project

- 4.1. The detailed proposal of the subject/project was put up for approval by council vide Item No 07 (A-15) dated 19.09.2014. Highlights of the proposal are as under:-
- New Delhi Municipal Council has identified the following area as ‘Project area’, Inner Circle, Outer Circle, Middle Circle, Seven Radial Roads, Radial Road 1-A (between Palika Bazar & Palika Parking) and area in front of Regal Complex towards Sansad Marg and BKS Marg, area in front of P-Block Complex towards BKS Marg and SBS Marg and BKS Marg, area in front of P-Block Complex towards BKS Marg and SBS Marg upto the edge of buildings and its precinct area upto the first building from Outer edge of Outer Circle on concentric roads to Connaught Place, excluding the Central Park and Palika Green area (area above the Palika Parking and Palika Bazar), Parking Area, Public Plaza, Planters, Public corridor, Footpath, existing street furniture like benches, public toilets at Central Park, Middle Circle and outer circle, subways at Outer Circle in Connaught Place are also covered as a part of the ‘Project area’ to be maintained by the concessionaire.
- 4.2 Scope of the work :
- The Project scope would include the following major activities: but not limited to the specified ones.

DESIGNING, PROVIDING, INSTALLATION AND MAINTENANCE OF STREET FURNITURE AND MECHANIZED HOUSEKEEPING & MAINTAINENCE OF PUBLIC PLAZA, PUBLIC CORRIDOR, PARKING AREA, PLANTERS, FOOTPATHS, SUBWAYS AND TOIOETS IN CONNAUGHT PLACE ON DBOT BASIS

- a) To design, construct /provide Street Furniture with services attached with or without them, as non-advertising furniture & advertising furniture.
- b) Mechanized Housekeeping, Operation & maintenance of all the Street Furniture including the existing ones as parking area, planter, public Plaza, Public corridor, Footpath etc in Project area.
- c) Mechanized Housekeeping, Operation, Maintenance & Security of existing public conveniences and Subways in Project area and deploying dedicated personnel & supervision, and to ensure availability of basic requirements such as water, electricity, drainage, sewage, waste removal etc..
- d) Mechanized Housekeeping, Operation & Maintenance work consists m mainly the following activities and as defined herein:
 - I. Dry Dusting and pressure washing of wall, columns, arches and ceiling of corridor.
 - II. Vacuum Sweeping and pressure washing of all type of flooring /pucca area, cleaning of farinas /channels and drainage sumps.
 - III. Wet and Dry Mopping, cleaning, buffering and scrubbing of all type of floors.
 - IV. Mechanised Cleaning and scrubbing of staircase and Escalators in subways.
 - V. Steam cleaning of all toilet, cleaning of WC's Washbasins /Urinals / Toilets fittings. Cleaning of mirrors to keep them dry and stain free.

4.3 With the approval of the Competent Authority the RFP's were invited from the prospective bidder.

- I. As per the RFP, pre bid meeting was held on 11.10.2013 and during pre bid meeting some queries were raised by prospective bidders and accordingly queries were addressed and clarification was issued to all bidders as well as uploaded on website in public domain.
- II. Technical bids were opened on 06.12.2013 and two bids were received from M/s BVG India Ltd. & M/s JCDecaux Advertising India Pvt. Ltd. The Technical bids of both the bidder were evaluated by subcommittee consisting CE(C-I), C.A, ACE(Elect.), Dir (Fin.), Dir (Proj.), Dir (Enf), L.O, SE(CP) & EE(CP) and were found that both the firms were eligible for opening of financial bids. The same was concurred by Finance Deptt. on 27.05.2014.
- III. Bids was opened and evaluated as per RFP terms & conditions. M/s JCDecaux Advertising Pvt Ltd had become the successful bidder with offer to pay NDMC a concession fee as 20% of monthly revenue earned subject to minimum of

- Rs 5 lakhs per month. The minimum concession fee shall be increased by 10% per year in subsequent years till end of the concession year.
- IV. After considering the above, approval of the council, further action were taken, as the concessionaire M/s JCDecaux was issued with acceptance letter by CP Division vide letter No D/589/EE (CP)/2014 dated 10.10.2014. M/s JCDecaux has accepted the offer vide their letter No JCD/2014/10/0145 dated 17.10.2014.
 - V. M/s JCDecaux was issued with draft agreement vide letter No D/727/EE (CP)/2014 dated 23.12.2014, Feb 2014, 23 Jun 2014 and M/s JCDecaux requested few clarifications on some issues mainly on COD, termination clause, outsourcing, security clause and arbitration vide their letter No dated
 - VI. The request of M/s JCDecaux was examined in detail and with the concurrence of Law Deptt and Finance Deptt the modified draft agreement was issued to the agency.
 - VII. The agency had still some reservations for which the clarifications have been finalised in consultation with Chief Advisor (Law) and further examined by Advisor (Law and Revenue) for final approval of the draft agreement by the competent authority.
5. **Finance Implications of the Proposed Proposal.**
The proposal is ON DBOT basis under PPP Model.
 6. **Implementation schedule with timeliness of each stage including internal processing.**
The works have to be completed within 6 Months from the signing of the contract/ agreement including testing of the same. The agency will have to start the operation & maintenance and house keeping services for the project area with in thirty days from the signing of the contract. The concession period is 15 years from the date of the completion of the Commercial Operation Date as per terms and conditions of the agreement.
 7. **Comments of the Finance Department on the Subject.**
RFP for the subject work were evaluated by the Technical Evaluation Sub-Committee constituted by the Competent Authority (P-33-34/N). The offers of both the firms, M/s BVG India Ltd. and M/s JC Decaux Advertising India (P) Ltd. were found technically eligible and their financial bids opened. M/s Jc Decaux Advertising India (P) Ltd. has emerged H-I bidder and has agreed to pay NDMC a concession fee of 20% of monthly revenue earned subject to minimum of Rs. 5 Lacs per month with an increase of 10% every year on previous year fee till end of concession year. The offer of H-I bidder, M/s JC Decaux Advertising India (P) Ltd. is

reasonable and justified keeping in view the current trend of rates in respect of similar project, may submit proposal for consideration of Competent Authority as recommended by Planning and CE(C-I).

8. Comments of the Department on comments of Finance Department.

As per the RFP condition the successful preferred bidder shall be the bidder who scores highest composite score and is justified for the project. The exact trend of rates in BOT project are not comparable. However in NDMC, the other project on BOT basis, the revenue sharing is 16% in BQS project and 19.42% in PTU's. Therefore, the 20% monthly revenue earned, offered by M/s JC Decaux Advertising India Pvt. Ltd. is reasonable and justified and is recommended as successful preferred bidder for the project.

9. Final views of Finance Department.

Draft agenda has been seen in FD on 18.06.2014 vide noting at page 66/N.

10. Legal Implication of the subject/Project.

NIL

11. Details of Previous Council Resolutions existing law of parliament and Assembly on the subject.

(a) Agenda placed before the Council vide Item No 04 (A-05) dated 24.07.2014 and deferred.

(b) Agenda placed before the Council vide item No 04 (A-07) dated 27.08.2014 for placing in next meeting alongwith the financial details of the project sustainability and comparison of the Advertising revenue to NDMC.

(c) Agenda placed before the Council vide item No 08 (A-11) dated 10.09.2014 and deferred.

(d) Item No 07 (A-15) dated 19.09.2014 was placed before council and agenda resolved but word approved was missing inadvertently.

12. Comments of the Law Deptt.

This is the tender case. The agenda has not defined as to what is monthly revenue earned and what is the source, it is gross earned or net profit. This should be specified in the agenda please.

13. Comments of the Department on the comments of Law Department.

The source of revenue and Monthly Net Revenue earned is defined vide clause No. 2.7 and 3.31 (ii) of RFP respectively.

14. Final view of Law Department.

Nil.

15. Certify that all Central Vigilance Commissions guidelines have been followed while processing the case.

Certify that all central vigilance commission's guidelines have been followed while processing the case.

16. Recommendations

The detailed proposal of the subject/project was put up for approval by council vide Item No 07 (A-15) dated 19.09.2014 and was resolved as given in para No 3.6 above. The word 'approved' by the council was missing inadvertently in the resolved agenda.

Therefore, the following corrigendum is proposed :-


" Resolved by the Council that the offer of M/s JCDecaux Adverting India Pvt. Ltd. at his quoted concession fee as 20% (Twenty Percent) of monthly revenue earned subject to minimum of Rs. 5 Lakhs (Five Lakhs) per month in the first year is approved. The minimum concession fee shall be increased by 10% of previous year's minimum fee per years in subsequent years till end of the concession year for this DBOT project having concession period of 15 years.

Further, it is subject to all rules, regulations and guidelines as specified by the Govt. of India, the Delhi Govt., the Election Commission of India and any other extant Law.

The Hon'ble MP & Presiding Officer NDMC has asked for all the copies of contracts awarded to the J.C Decaux as of now along with the current one".

COUNCIL'S DECISION

Resolved by the Council that this item be deferred with the direction that all details of the Project including Tender Document, RFP, details of bids received and other details pertaining to the tender be made available to the members of the Council, so that this matter may be taken up in the next meeting of the Council for taking a final decision in the matter.


 07/09/15
 Cor Secretary
 New Delhi Municipal Council
 Paliya, New Delhi