

Sir,

Lr.No.066/SAC/MD/2015-19, dated 06/11/2017

Sub: MA & UD Department –SAC –Manufacture, supply and delivery of heavy duty compact mini road sweeping machines with hopper capacity of 1.0 cum – Utilizing service of O&M operator M/S Raja Rajeswari Enterprises for comprehensive operation maintenance for a period of 3 years–Agreement for O&M-Reg.

Ref: 1.NIT.No.7/SAC/SWM/CE/Tender Notice/2017-18dt:03-07-2017.

2.Approval of Tender Approval Committee,  
Dt:10-08-2017. 3.Work Oder

No.8/SAC/SWM/2017,dated:12-08-2017.

4.Draft agreement legally vetted by Sr.Shiva Rao, Legal

advisor,

SAC.

\*\*\*\*

Attention of the commissioners of ULBs is hereby invited and inform that as a part of complying to the MSW Rules 2016 to mechanize the day to day road sweeping works of municipalities and based on the recommendation of the Director Municipal Administration Govt., of A.P. vide ref 1<sup>st</sup> cited tenders were invited for Manufacture, supply and delivery of 150 numbers of heavy duty compact mini road sweeping machines with hopper capacity of 1.0 cum along with comprehensive operation and maintenance for period of 3 years.

Vide ref 3<sup>rd</sup> cited work order were issued to the successful bidder M/S Raja Rajeswari Enterprises, Hyderabad and subsequently agreement concluded with the agency both for supply and Operation and maintenance.

Further, the operation and maintenance rate approved vide tender NIT.No.7/SAC/SWM/CE/Tender Notice/2017-18 dt:03-07-2017 is Rs.730/-per hour per machine. As per the tender conditions and if in case ULB choose to go with M/S Raja Rajeswari Enterprises, the above rate along with 5 % Escalation on the O&M rate quoted for each year starting from 2<sup>n</sup><sup>d</sup> year over the previous year and no other escalation on fuel, maintenance and salaries of personal engaged are allowed except 5% over all escalation.

In case if the ULB chooses to utilize the services of the O&M operator the ULB has to enter into an agreement and pay as per terms and conditions laid down in the agreement annexed with this letter which is legally vetted by Sri Shiva Rao, Legal advisor to SAC vide ref 4<sup>th</sup> cited.

In case if the ULB desires to executive the O&M by the ULBs itself the requisite number of drivers and assistants to be trained are properly assessed and are to be trained for skill development. As per tender the condition the bidder has to give training to the driver and assistants of the ULBs and SAC has already drafted training schedule at 5 regional centers of Annatapur, Tirupathi, Vijayawada, Rajahmundry & Vizag. As such as and when trainings commences at the centers the drivers and assistant of them obilized.

In view of the above, it is requested to the commissioners of all ULBs to utilize the services of M/S Raja Rajeswari Enterprises in case if the ULB choose to utilize the services of O&M operator, enter into the agreement and pay as per the terms and conditions of the agreement annexed with the ULB funds or Keep ready sufficient drivers and assistants for training in case if the ULB decides to operate the machines by themselves.

Approved  
**D MURALIDHAR**  
**REDDY, IAS**  
Managing Director

Encl:1.Agreement copy legally vetted by Sri Shiva Rao, Legal  
advisor to SAC.

## **AGREEMENT FOR OPERATION & MAINTENANCE**

Agreement No.

Date:

Agreement made at \_\_\_\_\_Municipal corporation/Municipality \_\_\_\_\_day of October,2017 between the XXXXXXXXXX Municipal Corporation , Vijayawada represented by the Commissioner , ULB on one part and M/s Sri Raja Rajeswari Enterprises, Hyderabad, Represented by Sri C. Rakesh Reddy aged about 40 years( herein after called the agency) which include their heirs , Administrators and Legal representatives on other part.

Where as ULB is desirous to have the process of cleaning the roads through O&M of \_\_\_ Nos. through compact heavy duty Road Sweeping Machines with hopper capacity of 1.0 cum, in its area of operation and procured the said machines and owned them, and whereas M/s Sri Raja Rajeswari Enterprises, Hyderabad, have agreed to operate and maintain the ( ) numbers of compact heavy duty Road Sweeping Machines with hopper capacity of 1.0 cum for a period of .....years from ..... to..... as per terms and conditions mentioned which may be extended for another ..... years based on performance.

Registration No. :

Truck Engine No. :

Truck Chassis No.:

### **Now it is hereby agreed as follows**

1. Since the ULB has decided to engage the services of the O & M operator, and pay to the O&M Operator.
2. The machines shall be Operated & Maintained by the Agency with his personnel for a period of, all the 7 (seven) days a week during entire year (i.e. 365 days) at 9 Hrs / day. The machine has to perform the sweeping work at least 2 km/ hour for Truck Mounted Road Sweeping machines of Dulevo Mini @730/- per hour / machine from parking yard to parking yard including unloading at 'transfer station point etc. If operated beyond 9 hours in a day additional payment will be done at agreed rate of Rs.730/- per hour towards Operation and Maintenance.

3. The Agency shall employ necessary driver cum operator, and skilled / unskilled labour per machine as required. The Agency shall arrange for fuel, lubricant, tools, spares and consumables and all other related materials & expenditures for Mobile Road Sweeping Machines during the period of Operation.
4. The Operation & Maintenance contract rate quoted by Agency is fixed for 3 years with 5% escalation every year which shall be extendable for another 2 years at the same terms & conditions no other escalation on fuel maintenance and salaries of personal engaged are allowed except 5% overall escalation
5. The sweeping machines shall be operated & maintained by the contract agency with its personnel for the contract period on all seven days week during the entire year for 9 Hours shift in a day. The shift timing's will be counted from the parking Lot-to-parking Lot basis. Occasionally the agency may be required to operate the sweeper for two shifts in a day. In case of emergency, if any additional hours are required, the same rate will be adopted.
6. The Agency shall arrange for a required quantity of fuel, hydraulic oils and lubricants for the operation of the daily shift. The agency shall also arrange for required tools, spares and consumables like brushes, hose pipes etc., and shall have to employ one driver-cum-operator one helper per machine and required technical person.
7. During the contract period necessary infrastructure like parking/repairing plot, water drainage and electricity will be provided by ULB. However if any temporary storage/ repairing facility is required, the same need to be arranged by the agency with the prior approval of the ULB. At the end of the contract period the agency shall remove all such infrastructure created by them if desired by the ULB. However no extra payment shall be made by ULB either for creation of any facility or for removal of such facility or for leaving such facility in ULB area after contract period.
8. Mobile phone shall be provided to the Driver-cum-Operator by the agency and shall remain in working condition throughout the contract period. No separate payment will be made for this.
9. During the contract period, the Agency shall arrange for payment of all taxes, other clearances, permissions, permits, security clearances etc. required for the operation of these equipment in Municipal Roads as well as State & National Highways and insurance policies pertaining to the Mechanical Road Sweepers. The agency shall pay all insurances with regard to the personnel appointed by them, apart from fulfilling all statutory compliances for

employing the manpower for providing the service of Operation & Maintenance of Road Sweepers.

10. The Agency shall maintain log book/shift register. It would be the responsibility of the agency to make available the Sweeper in working condition with the requisite crew, and fuel adequate for one shift operation at the specified time at the parking yard. The staff of the Health Section of ULB appointed / assigned to this work will take over the Sweeping machine under their control and make necessary entries in the logbook / shift register. Payment towards all the components will be arranged by the ULB within fifteen days of receipt of claim from the service provider every month. The extract of the logbook duly signed on daily basis by the SS/ AMOH on monthly basis shall accompany the month bill.
11. For maintenance part penalty will be imposed on the agency for the delay in carrying out the maintenance beyond stipulated periods as stated hereunder::
  - a. All minor repairs, preventive maintenance shall be carried out within 24 hours otherwise penalty up to 20% of the 'Maintenance Cost of one shift' for the off road shifts will be deducted from the monthly bill of the agency for non-payment for non-working hours. Penalty will not be imposed if the agency provides the sweeper for one additional shift to clear the backlog without claiming any extra payment. Minor repairs shall include 'Radiator leakage, engine water pump wheel hub, repairs on sweeping equipment, electrical works, external leakages (oil / water / diesel), mechanical / hydraulic settings, transmission settings, brake I steering jobs, brush replacement I repairs etc.
  - b. All major repairs shall be carried out within 7 days otherwise penalty up to 20% of the 'Maintenance cost of one shift' for the off road shifts will be deducted from the monthly bill of the agency for non-payment for non-working hours. Penalty will not be imposed if the agency provides the other sweepers for one additional shift to clear the back log without claiming any extra payment. Major repairs shall consist of jobs related to structural chassis, mechanism, engine, gear box, clutch overhaul, and other relatively complicated jobs where considerable time will be required for procuring the necessary spare parts / sophisticated equipment.
  - c. Whenever certain major repairs are required to be carried out in the workshop outside ULB for 'restoration of equipment and machinery to normal working condition, it shall be done within (30) days including the time taken for to & fro

transportation to the facility. Beyond which time Penalty at 35% of the 'Maintenance cost of one shift' for the off road shifts will be deducted from the monthly bill of the agency for non-payment for non-working hours. Whenever the agency intends to carry out the job, ULB shall have to be intimated at least one week in advance so as to enable the ULB to make alternate arrangement during that time.

12. The Agency has to appoint all required drivers, helpers and incur their salaries / wages and all other incidental liabilities. The ULB will not reimburse these costs separately. It would be responsibility of the agency to have proper insurance coverage to their operating staff. There will not be any separate reimbursement towards this by ULB. The Agency has to ensure that their operating personnel report at the specified parking place every day at the designated time and continue working for the specified shift duration. The Agency will have to make provision for presence of requisite manpower during national holidays and festivals. No separate payment will be made by ULB- for working on holidays and festivals.
13. The Agency will be solely responsible for any consequences under laws, arising out of any accident caused during the operation & maintenance of these vehicles / equipment's to his employees.
14. The ULB shall not be responsible for any claim / compensation of events and circumstances which are beyond the reasonable control of the affected party and which the affected party could not have prevented by Good Industry Practice or by the exercise of reasonable skills and care for the purpose of discharging its obligations under the contract. The Force Majeure claim shall not allowed in the aforesaid circumstances. Beyond the circumstances stated above the force majeure claim if it has material adverse effect on the effected then, the same shall be considered will tend to have material adverse effect on the performance of such affected party.
15. The Agency shall obtain all necessary approvals, permits and licenses pertaining to his personnel to operate the said service. The Corporation shall in no way be responsible for the loss occurring to the contractor on this count
16. The Commissioner, ULB reserves the right to impose financial penalty as follows:

<b>Sl. No</b>	<b>Description</b>	<b>Tender Conditions</b>	<b>Fine</b>	<b>Compounding Fees</b>
1	Maintenance of the machine not good	Shall be responsible for any kind of damages occurred to the Vehicles of the ULB, during the course of this Contract, due to negligent and rash driving of the vehicle by the drivers and he shall take all steps for the repairs of the vehicle on his own expenses and no part of the said amount is disburseable by ULB	Cost of repair	Double the cost of the repairs
2	Trips /days	the firm/ ,contractor is responsible for Maintenance of GPS equipment and other advanced systems whenever implemented on the vehicles of ULB	Cost of the GPS equipment	Double the cost of the GPS equipment
3	Trips /days	The firm/ contractor is responsible for 100% attendance driver and making alternate arrangement with sufficient stand by	Rs.1000 per day	Rs.2000 per day
4	Timing /distance	The firm contractor is responsible for reporting a shift time schedules on time per drivers.	Rs.1000 per day	Rs.2000 per day

5	Vehicle not working minor repairs	All the minor repairs such as Radiator leakage, engine water pump wheel hub, repairs' on sweeping equipment, electrical works, external leakages (oil I / water / diesel), mechanical / hydraulic settings, transmission settings, brake / steering jobs, brush replacement / repairs etc. shall be carried out within 24 hours	Rs.10 00 per day	Rs.2000 per day
6	Vehicle not working Major repairs	All the major repairs such as structural / chassis, mechanism, engine, gear box, clutch overhaul etc. shall be carried out Within 7 days.	Rs.20 00 per day	Rs.4000 per day
7	Preventive Maintenance	Preventive maintenance of all the parts has to be done on daily basis	Rs.10 00 per day	Rs.2000 per day

19. The decision on amount of penalty within the above limit is at the discretion of the ULB and shall be binding on the agency. However the cumulative amount of all the penalties imposed in one month **will not exceed 5%** of the contract amount for that month.

20. The Agency shall indemnify the ULB, against any penalties as principal employer for any failure on the Agency to honour various state laws Enactment/contract/labour minimum wages Act/Bonus/Act/EPF Act etc.,

21. The Agency shall install the **GPS system** and shall record **the starting time and ending time of the work, number of KMs swept** and submit the records along with the monthly bills. The final bills will be passed based on the GPS Data recorded which is fitted on to the vehicle if the agency fails to furnish the GPS records, the payments will not be made.



22. Agency has to arrange for all drivers, helpers, operators, labour, etc. & incur their salaries, wages, etc., & all liabilities and responsibilities with the agency.
23. The Agency shall have to maintain log books & shift register, attendance register of the staff. Agency has to get work certificate from the Department/Officer concerned of ULB where/ under whom machines will be put in use. Copy of it must be enclosed along with monthly bill to SS/AMOH / Executive Engineer (SWM), ULB for necessary actions, payment etc.
24. **Time lines for payment**
- Submission of bill by agency along with logbook: 5<sup>th</sup> of every month.
  - Verification of bill by SS/AMOH/EE (SWM): 8<sup>th</sup> of Every month.
  - Release of payments by Commissioner: 10<sup>th</sup> of every month.
25. The SS /AMOH of ULB shall certify the number of working hours performed by the machine based on the log book and GPS data to the commissioner.
26. For Operating contract, payment will be made only for those shifts to which work has been carried out by the Agency and certificate issued by the Department Officer of the concerned.
27. If Agency fails to provide the driver cum operator as per the requirement of ULB, penalty will be imposed on the Operating charges for those days / shifts for which it is not provided & which will be deducted from the monthly bill of the Agency. Further in such circumstances ULB is at liberty to use the machine with alternate arrangement & if any damages occur to the machine same also must be set right by the Agency for which no extra payment / claim be reimbursed to the Agency by ULB and this shall be binding on the Agency.
28. It will be the responsibility of the Agency to have insurance coverage to their operating staff. They are requested to note that there will not be any reimbursement in this regard by ULB. As regards any mishap / accident on the road or at site, the agency shall have to take complete responsibility of the same, from the stage of registration of Police complaint, lodging / follow up of the insurance

claim and facing the court trials etc. It shall be the responsibility of the Agency to set right the machine without raising any extra bills / claim for reimbursing the same from ULB. However, they shall be liable to receive all the payments received by ULB against the settlement of insurance claims from the Insurance Institutions. ULB authorities shall give the full cooperation to the Agency by signing the requisite documents necessary for raising the insurance claim up to settlement of the same.

29. The work force provided by the Agency shall be properly dressed in uniform all the time and always carry Identity card. The Agency shall make provision for presence of requisite manpower during national holidays and festivals if required. No separate payments will be made by the ULB for working on holidays and festivals.

30. The Contract shall stand terminated at the end of the contract period unless extended by the ULB & the Agency accepting in writing. In case if ULB finds continuous shortcomings in the services of the Agency which will be treated as "Deficiency of Service" and terminate the Contract with prior notice of 90 days.