

# **Inland Waterways**

## **Terminals on**

### **National Waterway-3**

Key information to Stakeholders  
for meeting on Operation &  
Maintenance Contract of Nine  
Terminals

# Inland Waterways Terminals on National Waterway 3

## Key Information for Stakeholders

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### (1) Background

- (a) The West Coast Canal System (205 Km) was notified as National Waterway-3 (NW-3) in the year 1993 and is under the administrative control of IWAI.
- (b) To facilitate the transshipment of cargo from/to waterway to road, IWAI has constructed 8 terminals along NW-3 at Kottapuram, Aluva, Maradu, Kayamkulam, Vaikkom, Thanneermukkom, Thrikunapuzha. The 9<sup>th</sup> terminal at Alappuzha is under construction.
- (c) To ensure effective utilization of these terminals, IWAI intends to offer these nine terminals on 'Operation and Maintenance' contract to professionally competent private operator(s) for a period of atleast 7 years as a **common user facility**.
- (d) Selection of private operator shall be done through transparent bidding process, under two cover system i.e. RFQ & RFP
- (e) IWAI would issue a tender for selection of private operator(s) shortly.
- (f) The information here is to provide an insight about the **project and project facilities** available at various terminals and **indicative terms of the contract**.

### (2) Project Objective

- (a) The main objective of engaging a private operator is to leverage their expertise in attracting cargo & passengers to the terminal
- (b) Promote optimum usage and cost effective maintenance of IWT facilities and promote waterway as a mode of transportation for the cargo in NW3
- (c) In order to help optimum utilization of the terminal and facilities, Operator(s) is allowed to:
  - (i) Develop temporary infrastructure for providing value added service for cargo and Passenger facilitation.

- (ii) Horizontal infrastructure like levelling, pavement of vacant land for open storage of containers or any other cargo and vertical infrastructure like temporary sheds.

However, the above is subject to the prior written approval of IWAI.

**(3) Technical Specification of waterways channels**

| <b>Stretch</b>  | <b>LAD</b>              | <b>Night navigation facility</b>  | <b>Markings</b> | <b>Minimum vertical clearance</b>   | <b>Minimum Horizontal clearance</b>              |
|---|-------------------------|---|-----------------|---|--|
| Udyogmandal Canal (23 km)   | 2.0 mtrs.               | 24 hrs navigation aids comprising of navigational buoys and solar operated LED lights provided in the entire stretch of NW-3. | 36 nos.         | 7.0 m above HFL at Gosree Brodge  | 30 mtrs  |
| Champakara canal (14 km)  | 2.0 mtrs                |   | 39 nos.         | 4.2 m above HFL at rail bridge in Champakara canal.                           | 14.50 mtrs                                       |
| Kottapuram-Takazhi Jetty (near Alappuzha (118 km)   | 2.0 mtrs                |   | 133 nos.        | 4.20 m at Cherai road bridge<br><br>Thanneermukkom lock gate 5.80 mtrs        | 18 mtrs<br>Mattancherry bridge.<br><br>12.0 mtrs |
| Takazhi jetty – Thrikunnapunzha (19 Km)<br>Thirkunnapuzha-Kayamkulam (18 Km)<br>Kayamkulam-Kollam (16 km) | 1.4 m<br>1.4 m<br>1.2 m |   | 104 nos         | 4.6 mtrs at Kovilthottam foot bridge<br><br>Thrikunapuzha lock gate 5.50 mtrs | 9.0 mtrs<br><br>9.2 mtrs.                        |

(4) Available Infrastructure on IWT Terminals

| # | Name of the Terminal | Area (in Hectare) | Cost of Terminal (Rs. cr) | Facilities available at each terminals  |
|---|----------------------|-------------------|---------------------------|---|
| 1 | Kottapuram           | 0.58              | 3.23                      | <ul style="list-style-type: none"><li>• 30 m RCC Jetty</li><li>• 200 sqm covered warehouse</li><li>• 400 sqm open storage</li><li>• 18 MT mobile hydraulic crane</li><li>• 3 MT capacity forklift</li><li>• Balance open space could be used for container storage or for other value added services for cargo and passenger facilitation</li></ul> |
| 2 | Aluva                | 1.33              | 2.38                      |   |
| 3 | Maradu               | 2.02              | 11.75                     |   |
| 4 | Vaikkom              | 0.51              | 2.86                      |   |
| 5 | Thanneermukkom       | 0.97              | 2.32                      |   |
| 6 | Thrikunapuzha        | 0.5               | 3.01                      |   |
| 7 | Kayamkulam           | 1.63              | 2.70                      |   |
| 8 | Kollam               | 0.62              | 7.97                      |   |
| 9 | Alleppy              | 2.26              | 10.74                     | <b>Under construction. Likely to be completed by December'2012.</b>   |

(5) RFP Indicative terms

| Sl. No. | Key Information                      | Details  |
|---------|--------------------------------------|--|
| 1.      | Process of selection                 | Public tender  |
| 2.      | Bid                                  | Single Stage two envelopes bid (Technical and Financial bid) for each terminal   |
| 3.      | Criteria of selection (Bid Variable) | Annual Licence fee (to be quoted separately for each terminal)<br>Annual Licence fee to be quoted by the bidder shall be subject to a yearly escalation in the range of 7-11% pa   |
| 4.      | Who can apply                        | A corporate entity registered in India under the companies Act,1956 and should have prior experience in Operation & Maintenance and/or development of logistics sector projects and waterway based recreational activities as detailed out below <ul style="list-style-type: none"><li>• Logistics sector includes Warehousing, Railway terminal, Truck terminal, ICDs, CFS, Port Terminal, Stevedoring and Coastal Shipping Projects and Inland Waterway Projects</li><li>• Water based recreational activities would include cruise operators, Passenger Ferry service provider, and tourism service providers (Financial Capacity only) - The basic function at the terminal will be handling of cargo.</li></ul> |
| 5.      | Capability Statement                 | <ul style="list-style-type: none"><li>• <b>Financial Capability</b></li></ul>  |

| Sl. No. | Key Information              | Details  |
|---------|------------------------------|--|
|         |                              | <p>The Bidder shall have a minimum Net Worth of 30% of cost of quoted terminal(s) at the close of the preceding financial year i.e 2011-12</p> <ul style="list-style-type: none"> <li>• <b>Technical Capability</b><br/>For demonstrating technical capacity and experience the bidder over the past 5 (five) financial years preceding the bid due date, shall have <ul style="list-style-type: none"> <li>➤ Paid for or received payments for, construction of eligible projects mentioned above and/or</li> <li>➤ Paid for development of eligible projects and/or</li> <li>➤ Collected and appropriated revenues from eligible projects</li> </ul> </li> </ul> <p>Such that the sum total of the above is more than Rs. 6 crore<br/>For avoidance of doubt the above minimum technical criteria would be required to be met for 1 terminal. In case bidder is interested to bid for more than one terminal then the above technical capability criteria will be cumulative for meeting the minimum criteria</p> <ul style="list-style-type: none"> <li>• <b>Minimum Guaranteed Throughput</b><br/>Bidder shall commit an annual minimum guaranteed throughput of 500 TEUs/12000 MT per annum per terminal</li> </ul> |
| 6.      | Selection process            | <ul style="list-style-type: none"> <li>• Technical bid shall be evaluated on pass and fail basis as per the Experience criteria and Financial Capability stipulated in the RFP.</li> <li>• Operator needs to submit the Business plan for utilization of terminal alongwith proposed additional infrastructure that is to be developed/procured by Operator at his own cost</li> <li>• Financial Bid of only those bidders will be opened who have qualified in the technical bid.</li> </ul>  |
| 7.      | Bid Security                 | 2% of cost of quoted terminal(s) in a form of an irrevocable & unconditional Bank Guarantee, along with the submission of the bid  |
| 8.      | User charges and Licence fee | <ul style="list-style-type: none"> <li>• <b>User Charges</b><br/>O&amp;M operator shall be allowed to collect berthing charges, cargo related charges and other miscellaneous charges from the user of the terminal as per Official Gazette Notification (copy of</li> </ul>   |

| Sl. No. | Key Information | Details  |
|---------|-----------------|--|
|         |                 | <p>notification is enclosed for ready reference). For other charges not in notification, operator has to take specific approval from IWAI before imposition and collection.</p> <ul style="list-style-type: none"> <li>• <b>Charges to be paid by the Operator to IWAI.</b> <ul style="list-style-type: none"> <li>➤ Annual License Fee</li> </ul> </li> </ul> |

**(6) Role and responsibilities of IWAI and Prospective Private Operator**

**(a) Role of IWAI**

- (i) IWAI to provide the land and existing infrastructure facilities to operator free from encumbrances
- (ii) Make adequate investment wherever necessary to ensure appropriate road connectivity to the terminal for container trucks.
- (iii) Maintain the waterway channel as per the stipulated parameters.
- (iv) Ensure smooth operation of lock gates in consultation with the Government of Kerala

**(b) Role of Private Operator**

- (i) Carry out Operation and Maintenance of IWT assets in the Terminals as per the respective standards and guidelines during the O&M contract period.
- (ii) Make requisite investment in the temporary infrastructure and other material handling equipments as per their business plan submitted in response to bid.
- (iii) Encourage/Facilitate usage of waterways for movement of Cargo (Make best efforts to shift the 30% of the traffic handled at Terminals to waterways by the end of second year of operation and thereafter increase to atleast 70% by the end of sixth year of operation and will continue to be the same till the end of 7<sup>th</sup> year of operation.)
- (iv) Transfer additional infrastructure updated at the terminal to IWAI at Re 1/- after the expiry of O&M contract.