

Government of Tamil Nadu

MoU for FSTPs and Co-Treatment and Licensing Agreement

May, 2020

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**Memorandum of Understanding for the Co-treatment
of Faecal Sludge and Septage along with sewage at
the Sewage Treatment Plant
at
[Insert name of Host ULB]**

Memorandum of Understanding (hereinafter referred to as the “MoU”) made on *[Insert date]*, day of *[Insert month]* 2019 at *[Insert place]*

BETWEEN

[Insert name] Municipal Corporation/Municipality/Town Panchayats established under the City Municipal Corporation Act, 19... or Tamil Nadu District Municipalities Act, 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner]*, the Commissioner (hereinafter referred to as “Host ULB”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

AND

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Participating ULB 1”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

AND

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Participating ULB 2”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

AND

[...]

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Participating ULB *[Insert number]*”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

Participating ULB 1, Participating ULB2 *[...]*and Participating ULB *[Insert number]* are hereinafter referred to as the “Participating ULB(s)” which have the same meaning given to it as provided in Clause 2of this MoU.

The Host ULB and the Participating ULB(s) are hereinafter referred to individually as the “Party” and collectively as the “Parties”.

WHEREAS, the Operative Guidelines for Septage Management for Local Bodies in Tamil Nadu, 2014 (the “Operative Guidelines”) issued by Municipal Administration & Water Supply Department, Government of Tamil Nadu (hereinafter referred to as “State Govt.”) in G.O. (Ms) No. 106, MA&WS Department, Dated 01.09.2014, impose an obligation on each local

body to adopt suitable processes for the effective management of Faecal Sludge and Septage generated within its jurisdiction. Pursuant to the said Operative Guidelines, Local Bodies constituted under the Tamil Nadu District Municipalities Act 1920 are responsible for, inter alia, making adequate provisions for the collection/removal and disposal of Faecal Sludge and Septage.

The State Govt. in G.O. (Ms) No. 88, MA&WS Department, Dated 31.08.2018 has developed a cluster-based approach to ensure optimum utilisation of existing and upcoming Sewage Treatment Plants (hereinafter called as the “STPs”) and new Faecal Sludge Treatment Plants (herein after called as the “FSTPs”) in the State of Tamil Nadu, in furtherance of public interest and with the aim of improving standards of public health and sanitation in the State. The State Govt. has now decided to authorise and support this MoU to provide a facilitative framework for Co-treatment of Faecal Sludge and Septage at the existing and upcoming STPs so that the Municipal Corporation, Municipalities and Town Panchayats may use the facilities for the scientific treatment and disposal of the Faecal Sludge and Septage generated within their respective jurisdictions.

NOW THIS MoU WITNESSETH AS FOLLOWS: -

1. Purpose / Objectives of MoU

The purpose of this MoU is to enable the parties to maximize utilisation and fund the Co-treatment of Faecal Sludge and Septage at existing and upcoming STPs. The parties currently intend to follow this MoU consistent with the Guidelines prescribed in G.O. (Ms) No. 106, Dated 01.09.2014 and G.O. (Ms) No. 88, Dated 31.08.2018 as well as other related provisions brought in force and effect as of the date hereof.

2. Definitions

In this MoU, unless it is repugnant to the context or inconsistent therewith, the following words, phrases and expressions shall bear the meaning hereinafter respectively assigned to them:

- a. **‘Account’** shall mean a Bank Account which the Host ULB shall open and maintain with a Bank in which all inflows and outflows of cash on account of capital and revenue receipts and expenditures shall be credited and debited, as the case may be, in accordance with the provisions of this MoU, and includes the sub-Accounts of such Account.
- b. **‘Agreement’** means the agreement between the Host ULB and the Contractor for STP O&M including its Schedules and Annexures.
- c. **‘Alternate Arrangement’** means a facility for treating Faecal Sludge and Septage, such as Underground Sewerage System and Sewage Treatment Plant or a standalone FSTP, which meet regulatory standards.
- d. **‘Authority’** shall mean and include the Municipality/Municipal Corporation/Town Panchayat/ Regional Directorate of Municipal Administration/Additional Directorate

of Town Panchayats/Commissionerate of Municipal Administration/Directorate of Town Panchayats or such other department as may be notified/appointed from time to time by the ----- for the purpose of implementation of this MoU.

- e. **'Bio-medical Waste'** shall have the meaning as defined under the Biomedical Wastes (Management and Handling) Rules, 1998 and as amended from time to time.
- f. **'Consent to Operate'** means the certificate issued by the Tamil Nadu Pollution Control Board prior to commencement of STP operations.
- g. **'Contractor'** shall mean the person or persons, as the case may be, with whom the Host ULB has entered into the operation and maintenance (O&M) contract, or any other agreement or a material contract for construction, operation and/or maintenance of the STP or matters incidental thereto.
- h. **'Construction and Demolition Waste;** means solid waste resulting from construction, remodeling, repair, renovation or demolition of structures or from land clearing activities or trenching or de-silting activities.
- i. **'Co-treatment'** means treating faecal sludge and septage along with sewage at a Sewage Treatment Plant.
- j. **'Changes in Law'** means the occurrence of any of the following after the Operation Start Date:
 - the enactment of any new Indian law or Tamil Nadu State law;
 - the repeal, modification or re-enactment of any existing Indian law or Tamil Nadu State law;
 - the commencement of any Indian law or Tamil Nadu State law which has not been given effect until the date of the MoU; and
 - a change in the interpretation or application of any Indian law or Tamil Nadu State law by a judgement of a court of record which has become final, conclusive and binding, as compared to such interpretation or application by a court of record prior to the date of the MoU.
- k. **'Dead Remains'** means the dead bodies, carcasses, bones or skeletal remains of animals, rodents and other living beings (other than plants).
- l. **'Decanting Facility'** means a Sewage Pumping Station that receives Faecal Sludge and Septage and pumps it to another a Sewage Pumping Station or a Sewage Treatment Plant.
- m. **'Desludging Operator'** shall mean any person or firm or self-help group or society or private company granted the license to collect, transport and dispose faecal sludge and septage.

- n. **'Desludging Vehicle'** means the vacuum trucks or such other vehicles equipped with motorised pumps and storage tanks owned by the ULB or Desludging Operator, of such design specification as may be approved from time to time by the ULB, for emptying and transporting faecal sludge and septage.
- o. **'Effective Date'** shall mean the date on which this MoU comes into force and effect pursuant to commissioning of the STP.
- p. **'E-waste'** means discarded electrical or electronic devices.
- q. **'Excluded Waste'** means waste material of the nature that the STP is not designed or authorised to receive, manage, process and dispose, which includes (i) Hazardous Waste (ii) Bio-medical Waste (iii) Dead Remains (iv) E-Waste and (v) Construction and Demolition Waste.
- r. **'Faecal Sludge'** means raw or partially digested, in a slurry or semi solid form, the collection, storage or treatment of combinations of excreta and black water, with or without grey water. It is the solid or settled contents of pit latrines and septic tanks.
- s. **'Force Majeure Event'** means any event which prevents or delays the performance of the obligations under this MoU in whole or in part by either Party by reason of public agitation, civil disturbance, riots, war, hostilities, acts of public enemies, civil commotion, sabotage, fire, flood, earthquake, epidemics, explosion, strikes, lock-outs, acts of God, acts on orders of Government/authorities, rules and regulations or delay/abandonment due to order of the Court and/or any other cause beyond the reasonable control of the Party affected.
- t. **'Good Industry Practice'** means the practices, methods, techniques, designs, standards, skills, diligence, efficiency, reliability and prudence which are generally and reasonably expected from a contractor and/or Party in the performance of its obligations.
- u. **'Hazardous Waste'** – shall have the meaning as defined under the Hazardous Wastes (Management and Handling) Rules, 1989.
- v. **'Host ULB'** shall mean the ULB that owns and is responsible for the operation and maintenance of the STP.
- w. **'License Fee'** shall mean the amount payable by Desludging Operators annually to obtain a license to operate within an ULB Cluster.
- x. **'Operative Guidelines'** means the Guidelines referred to in the Recitals.
- y. **'Operations Start Date'** shall mean the date notified by the Host ULB as the date on which the STP is ready to commence co-treatment of faecal sludge and septage.
- z. **'Operations and Maintenance (O&M)'** means the operation and maintenance of the STP and includes all matters connected with or incidental to such operation and maintenance and provision of services and facilities in accordance with the provisions of this MoU.

- aa. **‘Operations and Maintenance Manual (O&M Manual)’** shall mean standard operating procedures for regular, preventive, long term operations and maintenance covering safety requirements, material and equipment replacement and emergency activities at the STP.
- bb. **‘Participating ULB(s)’** shall mean Municipal Corporation/Municipality/Town Panchayat specified in the Recitals which are party to this MoU, and includes any other Municipal Corporation/Municipality/Town Panchayat which may at a later date become party to this MoU.
- cc. **‘Scheduled Bank’** means those banks which have been included in the Second Schedule of Reserve Bank of India Act, 1934. RBI in turn includes only those banks in that Schedule which satisfy the criteria laid down under section 42(6)(a) of the said Act.
- dd. **‘Septage’** means the liquid and solid material that is pumped from a septic tank, cesspool, or such on site treatment facility after it has accumulated over a period of time.
- ee. **‘Sewage’** means the waste water containing human excreta either dissolved or undissolved, discharged from toilets and other receptacles intended to receive or retain such human excreta.
- ff. **‘Sewage Treatment Plant (STP)’** means a treatment plant of the design specifications and guidelines issued by the concerned authority from time to time, owned by the ULB, capable of the treatment and disposal of sewage.
- gg. **‘STP Site’** means the site of the STP including the land, buildings, structures, road works, trees and any other immovable property on, or attached to, the Site.
- hh. **‘Testing and Screening Protocol’** shall mean testing the faecal sludge and septage for pH and electrical conductivity and screening for waste such as industrial waste that may adversely affect the STP operations.
- ii. **‘Testing Period’** shall mean a period within which any performance tests and trial runs shall be conducted at the STP so as to ensure that the STP is fit and ready to operate commercially.
- jj. **‘Treated Products’** shall mean effluent and stabilized bio solids generated by the treatment of Faecal Sludge and Septage that meet the regulatory standards.
- kk. **‘Test Results’** shall mean measurements from the testing carried out for assessing the STP performance and the quality of the Treated Products.
- ll. **‘Tipping Fee’** shall mean the amount payable by Desludging Operators to the Host ULB upon each visit to the STP Site for the disposal of Faecal Sludge and Septage.
- mm. **‘Urban Local Body (ULB)’** means the Municipal Corporation/Municipality/Town Panchayat located within the State of Tamil Nadu.

- nn. **'ULB Cluster'** shall mean the Municipal Corporations, Municipalities and Town Panchayats which together use a Sewage Treatment Plant defined in G.O. (Ms) No. 106, MA&WS Department, dated 01.09.2014 and G.O.(Ms)No.88, MA&WS Department, dated 31.08.2018 and as may be notified from time to time.

3. Interpretations

- a. The words, phrases and expressions defined hereinabove in Clause 2 or defined elsewhere by description in this MoU, together with their respective grammatical variations and cognate expressions shall carry the respective meanings assigned to them in the said Clause 2 or in this MoU and shall be interpreted accordingly;
- b. all words in singular shall be deemed to connote their respective plurals and vice-versa, unless the context suggests otherwise;
- c. the words "include" and "including" are to be construed without limitation;
- d. the headings of the Clauses in this MoU are merely for the purpose of convenience and shall have no bearing on the interpretation of this MoU;
- e. the Annexures to this MoU form an integral part of this MoU and shall be interpreted accordingly.

4. Measurements

- a. All measurements and calculations shall be in the metric system and the calculations shall be done up to 2 (two) decimal places, with the third digit of 5 (five) or above being rounded up and below 5 (five) being rounded down.

5. Obligations of Host ULB Prior to Operations Start Date

- a. The Host ULB shall grant a suitable Contractor the rights and obligations required to enable it to duly undertake the O&M of the STP.
- b. The Host ULB shall open and establish an Account with a Scheduled Bank in accordance with the terms and conditions of this MoU (hereinafter referred to as the "Account"). The Account shall be for the purposes of Co-treatment at the STP. The Account shall be operated by the Host ULB.
- c. The Host ULB shall not be responsible in any manner for the treatment of faecal sludge and septage generated within the jurisdiction of the Participating ULB(s) before the Operations Start Date.
- d. The Host ULB shall notify the Participating ULB(s) of the Operations Start Date subject to receipt of the Consent to Operate by advance notice in writing.
- e. The Host ULB shall inform the Participating ULB(s) of the duration of the Testing Period.

- f. At any time during the Testing Period, if any material defects, imperfections, shortcomings or such other faults are identified, the Host ULB shall notify Participating ULB(s) of the same and any consequent change in the Operations Start Date.
- g. In the event that there is a delay in the occurrence of the Operations Start Date due to (i) any act or omission on the part of the Contractor and (ii) Force Majeure Event, the Host ULB may (i) terminate this MoU in accordance with Clause 15; or (ii) extend the Operations Start Date for a period as it deems fit.
- h. The Host ULB shall notify Desludging Operators operating within the ULB Cluster of the operational hours of the STP, the disposal process, Tipping Fee and excluded delivery routes during specified hours.
- i. The Host ULB shall inform the Participating ULB(s) prior to implementation of any proposed modification or change in the operational hours of the STP and the disposal process.
- j. The Host ULB shall, in consultation with the Participating ULB(s), involve Non-Governmental Organisations (NGOs), Government Organisations, representatives of ULBs, District Collector and other relevant organisations or officers, conduct trainings and create awareness regarding the Co-treatment at STP.

6. Obligations of Participating ULB(s) Prior to Operations Start Date

- a. The Participating ULB(s) agrees and acknowledges that prior to the Operations Start Date, the Participating ULB(s) shall be responsible for the treatment of faecal sludge and septage generated in its jurisdiction as per the Operative Guidelines.
- b. Participating ULB(s) shall notify Desludging Operators operating within its jurisdiction of the operational hours of the STP, the disposal process, Tipping Fee and excluded delivery routes during specified hours.
- c. The Participating ULB(s) shall support the Host ULB in conducting training and creating awareness regarding the Co-treatment at STP.

7. Obligations of Host ULB from Operations Start Date

- a. The Host ULB shall be responsible for the O&M of the STP.
- b. The Host ULB shall convene a meeting with all Participating ULB(s) every 90 days on matters specified under this MoU and shall share with all Participating ULB(s) the minutes of the meeting.
- c. The Host ULB shall record details of faecal sludge and septage received or rejected (hereinafter referred to as the "Record").
- d. The Host ULB shall share with Participating ULB(s) the Record on a monthly basis from the Operations Start Date.

- e. The Host ULB reserves the right to disallow Desludging Vehicles from disposing faecal sludge and septage at the STP should the faecal sludge and septage be deemed as Excluded Waste by the Testing and Screening Protocol.
- f. The Host ULB reserves the right to refuse entry to Desludging Operator(s) without a valid desludging license and/or on non-payment of Tipping Fee.
- g. The Host ULB shall ensure that revenue receipts, such as License Fee and Tipping Fee, is credited to the Account.
- h. The Host ULB shall ensure Test Results for Treated Products and STP performance are recorded and maintained at the STP Site. A summary of the Test Results shall be publicly displayed at the STP Site.
- i. The Host ULB shall, in consultation with the Participating ULB(s), involve NGOs, Government Organisations, representatives of ULBs, District Collector and other relevant organisations or officers, conduct trainings and create awareness regarding the Co-treatment at STP.

8. Obligations of Participating ULB(s) from Operations Start Date

- a. The Participating ULB(s) shall be responsible for the O&M of the Decanting Facilities located within its jurisdiction.
- b. Participating ULB(s) shall ensure Desludging Operator(s) operating within their respective jurisdiction shall have a valid desludging license.
- c. The Participating ULB(s) will support the Host ULB in conducting training and creating awareness regarding the Co-treatment at STP.

9. Dispute Resolution

- a. Under this MoU a Joint Committee hereinafter called the "JC" comprising of the Regional Director of Municipal Administration, the Assistant Director of Town Panchayats and the Regional Executive Engineer shall be constituted.
- b. Under this MoU an Appeals Committee hereinafter called the "AC" comprising of the Joint Commissioner of Municipal Administration, the Joint Director (Schemes) of the Directorate of Town Panchayats, the Superintendent Engineer of the Commissionerate of Municipal Administration and Superintendent Engineer of the Directorate of Town Panchayats shall be constituted.
- c. In the event of any dispute arising between the Parties in relation to or under this MoU, the same shall be settled by the JC in the first instance and on appeal by the AC. The decision of the AC shall be final and binding.

10. Payment Terms

The Host ULB shall bear all expenses related to Co-treatment, subject to review from time to time.

11. Review and Amendment

- a. Provided that if the capacity of the STP permits, any Municipal Corporation/Municipality/Town Panchayat other than the Host ULB and Participating ULB(s) that is desirous to use the STP and the services provided by it, shall sign a Deed of Participation as provided in Annexure B, after obtaining written approval from the Commissionerate of Municipal Administration and Directorate of Town Panchayats to use the STP.
- b. The Payment Terms as defined under Clause 10 shall be reviewed by the AC and may be amended after six (6) months and twelve (12) months from the Operations Start Date, if needed.
- c. In the event of the Commissionerate of Municipal Administration and Directorate of Town Panchayats approving the participation of any Municipal Corporation/Municipality/Town Panchayat other than the Host ULB and Participating ULB(s) in accordance with Clause 12(a) the Host ULB in consultation with the AC shall review and amend the Payment Terms as defined under Clause 10, payable from such date as decided by the Host ULB at the point of such event.
- d. In the event of the exit of the Host ULB and/or one or more of the Participating ULB(s) from the MoU, the AC shall review and amend the Payment Terms as defined under Clause 10, payable from such date as decided by the AC at the point of such event.

12. Term and Renewal

- a. The rights and obligations of the Parties granted under this MoU shall be valid for a Term of three years.
- b. The Host ULB and Participating ULB(s) may agree to renew the terms and conditions of this MoU, after the expiry of the Term for such other period as it deems fit and on such terms and condition as may be decided at the point of such renewal.

13. Suspension/Temporary Shut down or Closure of the STP

- a. The Host ULB may be allowed to suspend, temporarily shut down or close the STP in case of planned or unplanned repair and maintenance.
- b. The Host ULB shall inform Participating ULB(s) of planned repair and maintenance activity in advance of such activity.
- c. The Host ULB shall inform Participating ULB(s) of unplanned repair and maintenance activity as soon as practicable and in any case within a reasonable period of time from the commencement of the activity.
- d. The Host ULB and Participating ULB(s) shall inform Desludging Operators within their respective jurisdictions of planned maintenance activity at the STP within a reasonable period of time in advance of such activity.

- e. During the period of planned or unplanned repair or maintenance activity, the Host ULB and Participating ULB(s) may inform Desludging Operators to avoid desludging during the said period in the first instance and subsequently the next nearest treatment facility, for disposal of Faecal Sludge and Septage.

14. Force Majeure Event

- a. As soon as practicable and in any case within a reasonable period of time from the date of occurrence of a Force Majeure Event or the date of knowledge thereof, the affected Party shall notify the other Party or Parties of the same, setting out, inter alia, the following in detail: -
 - i. the nature, extent and estimated duration of the Force Majeure Event;
 - ii. the nature of and the extent to which, performance or any of its obligations under this MoU is affected by the Force Majeure Event;
 - iii. the measures which the affected Party has taken or proposes to take to mitigate the impact of the Force Majeure Event and to resume performances of such of its obligations affected thereby.
- b. As soon as practicable and in any case within a reasonable period of time from the receipt of the notification by the affected Party in accordance with the preceding sub-clause (a), the Parties shall meet, hold discussions in good faith to: -
 - i. assess the impact of the underlying Force Majeure Event;
 - ii. formulate damage mitigation measures and steps to be undertaken by the Parties for resumption of obligations.
- c. If a Force Majeure Event continues or is in the reasonable judgment of the Parties is likely to continue beyond the original estimated duration, the Parties may mutually decide to terminate this MoU or continue this MoU on mutually agreed revised terms. If the Parties are unable to reach an agreement in this regard, the affected Party, shall after the expiry of the said period, be entitled to terminate this MoU in accordance with Clause 15.

15. Termination

- a. The Parties hereby agree that the Host and/or Participating ULB(s) cannot terminate its participation in this MoU until it shall submit a written request to that effect to the AC clearly stating: (a) the reasons for seeking an exit from this MoU; (b) the Alternate Arrangement established by it to scientifically dispose the faecal sludge and septage generated within its jurisdiction; and (c) the costs and benefits to the ULB in ceasing its participation in this MoU and the implementation of the Alternate Arrangement.
- b. The AC will grant approval for the exit of the Host and/or Participating ULB(s) only if:
-

- i. the Alternate Arrangement is viable and will enable the Host and/or Participating ULB(s) to dispose faecal sludge and septage in accordance with the applicable Laws;
- ii. the Alternate Arrangement is more cost effective for the Host and/or Participating ULB(s); and
- iii. the continued viability of the STP is not adversely affected.

16. Notices

- a. Unless otherwise stated, notices to be given under this MoU include but are not limited to a notice of waiver of Term, breach of any term of this MoU and termination of this MoU, shall be in writing and shall be given by hand delivery, recognised courier, mailed, delivered or transmitted to the Parties at their respective addresses set forth below:

[Insert addresses of all Parties]

- b. All notices under this MoU shall be in English and/or Tamil.

17. Counterparts

This MoU may be executed in two counterparts, each of which when executed and delivered shall constitute an original of this MoU but shall together constitute one and only one MoU.

18. Severability

If any provision of this MoU shall be declared illegal, void or unenforceable, the same shall not affect the other provisions herein which shall be considered severable from such provision and shall remain in full force and effect.

IN WITNESS HEREOF THE PARTIES HAVE SET THEIR HANDS ON THE DATE, MONTH AND THE YEAR HEREIN ABOVE WRITTEN IN THE PRESENCE OF

Witnesses:

1. Host ULB
2. Participating ULB(s) 1
3. Participating ULB(s) 2
- [...]
4. Participating ULB(s) *[Insert number]*

ANNEXURE A

DISTRIBUTION OF O&M FEES

S. No.	Name of the Urban Local Body	Host / Participating ULB	Annual O&M Fee (Rs.)	Monthly O&M Fee (Rs.)
1.				
2.				
3.				
4.				
5.				

ANNEXURE B

Deed of Participation

This deed is made on this the _____ day of _____ at _____

BETWEEN

[Insert name] Municipal Corporation/Municipality/ Town Panchayats established under the [City Municipal Corporation Act or Tamil Nadu District Municipalities Act, 1920] of the State of Tamil Nadu, acting through *[Name of Commissioner]*, the Commissioner (hereinafter referred to as “Host ULB”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

AND

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Participating ULB(s) _____”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

WHEREAS

(a) The Host ULB has already entered in to a MOU dated _____ with few Participating ULB(s) as defined thereof. The said MoU pertains to the Operative Guidelines for Septage Management for Local Bodies in Tamil Nadu, 2014 (the “Operative Guidelines”) issued by the Government of Tamil Nadu (hereinafter referred to as “State Govt.”) under G.O. (Ms) No. 106, MA&WS Department, Dated 01.09.2014 imposing an obligation on each local body to adopt suitable processes for the effective management of Faecal Sludge and Septage generated within its jurisdiction. Pursuant to the Operative Guidelines, Local Bodies constituted under the Tamil Nadu District Municipalities Act, 1920 are responsible for, inter-alia, making adequate provisions for the collection/removal and disposal of Faecal Sludge and Septage.

(b) The State Govt. under G.O. (Ms) No. 88, Dated 31.08.2018 has developed a cluster-based approach to ensure optimum utilisation of existing Sewage Treatment Plants (the “STPs”) and new Faecal Sludge Treatment Plants (The “FSTPs”) in the State of Tamil Nadu. In furtherance of public interest and with the aim of improving standards of public health and sanitation in the State, the State Govt. has now decided to authorise and support this MoU to provide a facilitative framework for Co-treatment of Faecal Sludge and Septage at existing and upcoming STPs so that the Municipalities and Town Panchayats may use the facilities for the scientific treatment and disposal of the Faecal Sludge and Septage generated within their respective jurisdictions.

(c) In the above circumstances, the Participating ULB(s) herein has proposed their interest to join as a party to the said MoU for the purposes of using the facility as per the terms and conditions as defined thereof.

NOW THIS DEED WITNESSETH

1. The Host ULB hereby agrees and accepts the Participating ULB herein as a party to the said MoU dated _____. As per the relevant provisions of the said MoU, the Participating ULB herein shall be treated as a party to the said MoU by virtue of execution of this Deed.
2. The Participating ULB undertakes, agrees and accepts all the terms and conditions of the said MoU and the same shall be fully valid and binding upon the Participating ULB herein. Any further revision or modification whatever carried out in the said MoU from time to time shall be fully applicable and automatically to the Participating ULB herein.
3. The Host ULB shall notify such revisions and modifications of the terms to the Participating ULB and the same shall bind the Participating ULB as mentioned above.
4. For the purposes of the said MoU, the Participating ULB herein shall be referred as "Participating ULB_____".
5. This Deed takes effect forthwith and the same shall be valid till _____. After the expiry of the said term, the parties shall have the option for renewing this deed of participation by executing suitable deeds.
6. All the obligations, liabilities, responsibilities, payment terms as mentioned in the said MoU shall be applicable to the Participating ULB.

IN WITNESS HERE OF THE PARTIES HAVE SET THEIR HANDS ON THE DATE, MONTH AND THE YEAR HEREIN ABOVE WRITTEN IN THE PRESENCE OF

Witnesses:

1. _____ Host ULB

2. _____ Participating ULB

**Memorandum of Understanding for the Treatment of
the Local Sludge and Septage
At
[Insert name of Host ULB]**

Memorandum of Understanding (hereinafter referred to as the “MoU”) made on *[Insert date]*, day of *[Insert month]* 2019 at *[Insert place]*

BETWEEN

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act, 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner (hereinafter referred to as “Host ULB”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

AND

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act, 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Participating ULB 1”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

AND

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act, 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Participating ULB 2”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

AND

[...]

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act, 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Participating ULB *[Insert number]*”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

Participating ULB 1, Participating ULB 2 *[...]* and Participating ULB *[Insert number]* are hereinafter referred to as the “Participating ULB(s)” which have the same meaning given to it as provided in Clause 2 of this MoU.

The Host ULB and the Participating ULB(s) are hereinafter referred to individually as the “Party” and collectively as the “Parties”.

WHEREAS

The Operative Guidelines for Septage Management for Local Bodies in Tamil Nadu, 2014 (the “Operative Guidelines”) issued by the Municipal Administration & Water Supply

Department, Government of Tamil Nadu (hereinafter referred to as "State Govt.") under G.O. (Ms) No. 106, Dated 01.09.2014; impose an obligation on each local body to adopt suitable processes for the effective management of Faecal Sludge and Septage generated within its jurisdiction. Pursuant to the Operative Guidelines, Local Bodies constituted under the Tamil Nadu District Municipalities Act, 1920 are responsible for, inter-alia, making adequate provisions for the collection/removal and disposal of Faecal Sludge and Septage.

The State Govt. under G.O. (Ms) No. 88, Dated 31.08.2018; has developed a cluster-based approach to ensure optimum utilisation of existing Sewage Treatment Plants (the "STPs") and new Faecal Sludge Treatment Plants (The "FSTPs") in the State of Tamil Nadu. In furtherance of public interest and with the aim of improving standards of public health and sanitation in the State, the State Govt. has now decided to authorise and support this MoU to provide a facilitative framework for the operation and maintenance of the new FSTPs, created under the said G.O (Ms) No. 88, Dated 31.08.2018, so that the Municipalities and Town Panchayats within clusters may use the facilities for the scientific treatment and disposal of the Faecal Sludge and Septage generated within their respective jurisdictions.

NOW THIS MoU WITNESSETH

19. Purpose / Objectives of MoU

The purpose of this MoU is to enable the parties to maximize utilisation and fund the operation and maintenance of the Faecal Sludge Treatment Plant. The parties currently intend to follow this MoU consistent with the Guidelines prescribed in G.O. (Ms) No. 106, Dated 01.09.2014 and covering the selection of towns as per G.O. (Ms) No. 88, Dated 31.08.2018 as well as other related provisions brought in force and effect as of the date hereof.

20. Definitions

In this MoU, unless repugnant to the context or inconsistent therewith, the following words, phrases and expressions shall bear the meaning hereinafter, respectively, assigned to them:

- a. **Account** shall mean an Account which the Host ULB shall open and maintain with a Scheduled Bank in which all inflows and outflows of cash on account of capital and revenue receipts and expenditures shall be credited and debited, as the case may be, in accordance with the provisions of this MoU and includes the Sub-Accounts of such Account.
- b. **Agreement** means the agreement between Host ULB and the Contractor for FSTP O&M including its schedules and annexures.
- c. **Alternate Arrangement** – shall mean a facility for treating Faecal Sludge and Septage, such as Underground Sewerage System and Sewage Treatment Plant or a standalone FSTP, which meet regulatory standards.
- d. **Authority** shall mean and include the Municipality/Municipal Corporation/Town Panchayat/Regional Directorate of Municipal Administration/Assistant Directorate

of Town Panchayats/Commissionerate of Municipal Administration/Directorate of Town Panchayats or such other department as may be notified/appointed from time to time for the purpose of implementation of this MoU.

- e. **Bio-medical Waste** shall have the meaning as defined under the Biomedical Wastes (Management and Handling) Rules, 1998 and as amended thereto.
- f. **Consent to Operate** means the certificate issued by the Tamil Nadu Pollution Control Board prior to commencement of FSTP operations.
- g. **Contractor** shall mean the person or persons, as the case may be, with whom the Host ULB has entered into the operation and maintenance (O&M) contract, or any other agreement or a material contract for construction, operation and/or maintenance of the FSTP or matters incidental thereto.
- h. **Construction and Demolition Waste** means solid waste resulting from construction, remodeling, repair, renovation or demolition of structures or from land clearing activities or trenching or de-silting activities.
- i. **Changes in Law** means the occurrence of any of the following after the Operation Start Date:
 - the enactment of any new Indian law or Tamil Nadu State law;
 - the repeal, modification or re-enactment of any existing Indian law or Tamil Nadu State law;
 - the commencement of any Indian law or Tamil Nadu State law which has not entered into effect until the date of the MoU; and
 - a change in the interpretation or application of any Indian law or Tamil Nadu State law by a judgement of a court of record which has become final, conclusive and binding, as compared to such interpretation or application by a court of record prior to the date of the MoU.
- j. **Dead Remains** means the dead bodies, carcasses, bones or skeletal remains of animals, rodents and other living beings (other than plants).
- k. **Desludging Operator** shall mean any person or firm or self-help group or society or private company granted the license to collect, transport and dispose Faecal Sludge and Septage.
- l. **Desludging Vehicle** means the vacuum trucks or such other vehicles equipped with motorised pumps and storage tank owned by the ULB or Desludging Operator, of such design specification as may be approved from time to time by the ULB, for emptying and transporting Faecal Sludge and Septage.
- m. **Effective Date** shall mean the date on which this MoU comes into force and effect pursuant to commissioning of the FSTP.

- n. **E-waste** means discarded electrical or electronic devices.
- o. **Excluded Waste** means waste material of the nature that the FSTP is not designed or authorised to receive, manage, process and dispose which includes (i) Hazardous Waste (ii) Bio-medical Waste (iii) Dead Remains (iv) E-Waste and (v) Construction and Demolition Waste.
- p. **Faecal Sludge** means mean raw or partially digested, in a slurry or semi solid form, the collection, storage or treatment of combinations of excreta and black water, with or without grey water. It is the solid or settled contents of pit latrines and septic tanks.
- q. **Faecal Sludge Treatment Plant (FSTP)** means a treatment plant of the design specifications and guidelines issued by the concerned Authority from time to time.
- r. **FSTP Site** shall mean the site of the FSTP including the land, buildings, structures, road works, trees and any other immovable property on, or attached to, the Site.
- s. **Force Majeure Event**—means any event which prevents or delays the performance of the obligations under this MoU in whole or in part by either Party by reason of public agitation, civil disturbance, riots, war, hostilities, acts of public enemies, civil commotion, sabotage, fire, flood, earthquake, epidemics, explosion, strikes, lock-outs, acts of God, acts on orders of Government/authorities, rules and regulations or delay/abandonment due to order of the Court and/or any other cause beyond the reasonable control of the Party affected.
- t. **Good Industry Practice** means the practices, methods, techniques, designs, standards, skills, diligence, efficiency, reliability and prudence which are generally and reasonably expected from a contractor and/or Party in the performance of its obligations.
- u. **Hazardous Waste** shall have the meaning as defined under the Hazardous Wastes (Management and Handling) Rules, 1989.
- v. **Host ULB** shall mean the ULB that owns and is responsible for the operation and maintenance of the FSTP.
- w. **License Fee** shall mean the amount payable by Desludging Operators annually to obtain a license to operate within a ULB Cluster.
- x. **Operative Guidelines** as defined in the Recitals.
- y. **Operations Start Date** shall mean the date notified by the Host ULB as the date on which the FSTP is ready to commence commercial operations after the Testing Period and receipt of Consent to Operate.
- z. **Operations and Maintenance (O&M)** means the operation and maintenance of the FSTP and includes all matters connected with or incidental to such operation and maintenance and provision of services and facilities in accordance with the provisions of this MoU.

- aa. **Operations and Maintenance Manual (O&M Manual)** shall mean standard operating procedures for regular, preventive, long term operations and maintenance covering safety requirements, material and equipment replacement and emergency activities at the FSTP.
- bb. **Participating ULB(s)** shall mean Municipal Corporation/Municipality/Town Panchayat are defined in the Recitals which are party to this MoU, and include any other Municipal Corporation/Municipality/Town Panchayat which may at a later date become party to this MoU.
- cc. **Scheduled Bank** means those banks which have been included in the Second Schedule of Reserve Bank of India Act, 1934. RBI in turn includes only those banks in this Schedule which satisfy the criteria laid down vide section 42(6)(a) of the said Act.
- dd. **Septage** means the liquid and solid material that is pumped from a septic tank, cesspool, or such on site treatment facility after it has accumulated over a period of time.
- ee. **Testing and Screening Protocol** shall mean testing the Faecal Sludge and Septage for pH and electrical conductivity and screening for waste such as industrial waste that may adversely affect the FSTP operations.
- ff. **Testing Period** shall mean a period within which any performance tests and trial runs shall be conducted at the FSTP so as to ensure that the FSTP is fit and ready to operate commercially.
- gg. **Treated Products** shall mean effluent and stabilized bio solids generated by the treatment of Faecal Sludge and Septage that meet the regulatory standards.
- hh. **Test Results** shall mean measurements from the testing carried out for assessing the FSTP performance and the quality of the Treated Products.
- ii. **Tipping Fee** shall mean the amount payable by Desludging Operators to the Host ULB upon each visit to the FSTP Site for the disposal of Faecal Sludge and Septage.
- jj. **Urban Local Body (ULB)** means the Municipal Corporation/Municipality/Town Panchayat located within the State of Tamil Nadu.
- kk. **ULB Cluster** shall mean the Municipal Corporations, Municipalities and Town Panchayats which together use an Faecal Sludge Treatment Plant defined as per G.O. (Ms) No. 106, Dated 01.09.2014 and G.O. (Ms) No. 88, Dated 31.08.2018 and as notified from time to time.

21. Interpretations

- a. The words, phrases and expressions defined hereinabove in Clause 2 or defined elsewhere by description in this MoU, together with their respective grammatical variations and cognate expressions shall carry the respective meanings assigned to them in the said Clause 2 or in this MoU and shall be interpreted accordingly;

- b. all words in singular shall be deemed to connote their respective plurals and vice-versa, unless the context suggests otherwise;
- c. the words “include” and “including” are to be construed without limitation;
- d. the headings of the Clauses in this MoU are merely for purposes of convenience and shall have no bearing on the interpretation of this MoU;
- e. the Annexures to this MoU form an integral part of this MoU and shall be interpreted accordingly.

22. Measurements

- a. All measurements and calculations shall be in the metric system and calculations done to 2 (two) decimal places, with the third digit of 5 (five) or above being rounded up and below 5 (five) being rounded down.

23. Obligations of Host ULB Prior to Operations Start Date

- a. The Host ULB shall grant a suitable Contractor the rights and obligations required to enable it to duly undertake the O&M of the FSTP.
- b. The Host ULB shall open and establish an Account with a Scheduled Bank in accordance with the terms and conditions of this MoU (hereinafter referred to as the “Account”). The Account shall be for the purposes of the O&M of the FSTP. The Account shall be operated by the Host ULB.
- c. The Host ULB shall not be responsible in any manner for the treatment of Faecal Sludge and Septage generated within the jurisdiction of the Participating ULB(s) before the Operations Start Date.
- d. The Host ULB shall notify the Participating ULB(s) of the Operations Start Date subject to receipt of the Consent to Operate by advance notice in writing.
- e. The Host ULB shall inform the Participating ULB(s) of the duration of the Testing Period.
- f. At any time during the Testing Period if any material defects, imperfections, shortcomings or such other faults are identified, the Host ULB shall notify Participating ULB(s) of the same and any consequent change to the Operations Start Date.
- g. In the event that there is a delay in the occurrence of the Operations Start Date due to (i) any act or omission on the part of the Contractor and (iii) Force Majeure Event, Host ULB may (i) Terminate this MoU in accordance with Clause 15; or (ii) extend the Operations Start Date for a period as it deems fit.
- h. The Host ULB shall inform Desludging Operators operating within the ULB Cluster of the operational hours of the FSTP, the disposal process, Tipping Fee and excluded delivery routes during specified hours.

- i. The Host ULB shall inform the Participating ULB(s) prior to implementation of any proposed modification or change to the operational hours of the FSTP and the disposal process.
- j. The Host ULB shall, in consultation with the Participating ULB(s), involve Non-Governmental Organisations (NGOs), Government Organisations, representatives of ULBs, District Collector and other relevant organisations or officers, conduct trainings and create awareness regarding the FSTP.

24. Obligations of Participating ULB(s) Prior to Operations Start Date

- a. The Participating ULB(s) agrees and acknowledges that prior to the Operations Start Date, the Participating ULB(s) shall be responsible for the treatment of Faecal Sludge and Septage generated in its jurisdiction as per the Operative Guidelines.
- b. At any time during the Testing Period and before the Operations Start Date, the Participating ULB(s) shall make available to the Host ULB at the FSTP, without any cost obligations, necessary quantities of Faecal Sludge and Septage for (i) testing purposes and (ii) performance trials at the FSTP, as requisitioned by the Host ULB.
- c. Participating ULB(s) shall inform Desludging Operators operating within its jurisdiction of the operational hours of the FSTP, the disposal process, Tipping Fee and excluded delivery routes during specified hours.
- d. The Participating ULB(s) shall support the Host ULB in conducting training and creating awareness regarding the FSTP.

25. Obligations of Host ULB from Operations Start Date

- a. The Host ULB shall be responsible for the O&M of the FSTP.
- b. The Host ULB shall convene a meeting with all Participating ULB(s) every 90 days on matters specified under this MoU and shall share with all Participating ULB(s) the minutes of the meeting.
- c. The Host ULB shall maintain an O&M Manual covering the O&M requirements, safety requirements and Good Industry Practice, and shall be made available to the Participating ULB(s).
- d. The Host ULB shall record details of Faecal Sludge and Septage received or rejected (hereinafter referred to as the "Record").
- e. The Host ULB shall share with Participating ULB(s) the Record on a monthly basis from the Operations Start Date.
- f. The Host ULB reserves the right to disallow Desludging Vehicles from disposing Faecal Sludge and Septage at the FSTP should the Faecal Sludge and Septage be deemed as Excluded Waste by the Testing and Screening Protocol.

- g. The Host ULB reserves the right to refuse entry to Desludging Operators without a valid desludging license and/or on non-payment of Tipping Fee.
- h. The Host ULB shall ensure Test Results for Treated Products and FSTP performance are recorded and maintained at the FSTP Site. A summary of the Test Results shall be publicly displayed at the FSTP Site.
- i. The Host ULB shall share with the Participating ULB(s)' the record of Test Results on request.
- j. The Host ULB shall ensure that revenue receipts, such as License Fee, Tipping Fee and from the sale of Treated Products, is credited to the Account.
- k. The Host ULB shall, in consultation with the Participating ULB(s), involve NGOs, Government Organisations, representatives of ULBs, District Collector and other relevant organisations or officers, conduct trainings and create awareness regarding the FSTP.

26. Obligations of Participating ULB(s) from Operations Start Date

- a. Participating ULB(s) shall ensure Desludging Operator(s) operating within their respective jurisdiction shall have a valid de-sludging license.
- b. The Participating ULB(s) will support the Host ULB in conducting training and creating awareness regarding the FSTP.

27. Dispute Resolution

- a. Under this MoU a Joint Committee (the "JC") comprising of the Regional Director of Municipal Administration, the Assistant Director of Town Panchayats and the Regional Executive Engineer shall be constituted.
- b. Under this MoU an Appeals Committee (the "AC") comprising of the Joint Commissioner of Municipal Administration, the Joint Director (Schemes) of the Directorate of Town Panchayats, the Superintendent Engineer of the Commissionerate of Municipal Administration and Superintendent Engineer of the Directorate of Town Panchayats shall be constituted.
- c. In the event of any dispute arising between the Parties in relation to or under this MoU, the same shall be settled by the JC in the first instance and on appeal referred to the AC. The decision of the AC shall be final and binding.

28. Payment Terms

- a. In accordance with the terms, conditions and covenants set forth in this MoU, the Host ULB shall raise a demand notice for the O&M Fee in accordance with the provisions of Annexure A; Distribution of O&M Fees; payable by each participating ULB within 30 days of receipt of the demand notice from the Host ULB, however, the O&M Fee shall be payable to the Host ULB only on the date of commencement of the Operations.

- b. If participating ULB(s) fail(s) to pay the O&M Fee payable in accordance with Clause 10.a., in part or full to the Host ULB, the Authority concerned on recommendation of the AC undertakes to deduct the amount owed to the Host ULB from grant funds or funds designated for distribution pursuant to the State Financial Commission earmarked for the concerned Participating ULB(s) or by any other measure it may deem fit and pay such amount directly to the Host ULB, as the case may be.

29. Review and Amendment

- a. Any Municipal Corporation/Municipality/Town Panchayat other than the Host ULB and Participating ULB(s) that is desirous to use the FSTP and the services provided by it, shall sign a Deed of Participations provided in Annexure B, after obtaining written approval from the Commissionerate of Municipal Administration and Directorate of Town Panchayats to use the FSTP.
- b. The Host ULB shall expand the capacity of the FSTP in consultation with the Commissionerate of Municipal Administration or Directorate of Town Panchayats, when received volume of FS exceeds existing capacity.
- c. The Payment Terms as defined under Clause 10 shall be reviewed by the AC and may be amended after six (6) months and twelve (12) months from the Operations Start Date, if needed.
- d. In the event of the Commissionerate of Municipal Administration and Directorate of Town Panchayats approving the participation of any Municipal Corporation/Municipality/Town Panchayat other than the Host ULB and Participating ULB(s) in accordance with Clause 12.a, the AC shall review and amend the Payment Terms as defined under Clause 10, payable from such date as decided by the AC at the point of such event.
- e. In the event of the exit of the Host ULB and/or one or more of the Participating ULB(s) from the MoU, the AC shall review and amend the Payment Terms as defined under Clause 10, payable from such date as decided by the AC at the point of such event.

30. Term and Renewal

- a. The rights and obligations of the Parties granted under this MoU shall be valid for a Term of three years.
- b. The Host ULB and Participating ULB(s) may agree to renew the terms and conditions of this MoU, after the expiry of the Term for such other period as it deems fit and on such terms and condition as may be decided at the point of such renewal.

31. Suspension/Temporary Shutdown/Downtime or Closure of the FSTP

- a. The Host ULB shall ensure 50% (fifty per cent) of the total capacity of the FSTP shall be operational at all times except in the case of a Force Majeure event.

- b. The Host ULB may be allowed to suspend, temporarily shut down or close the FSTP in case of planned or unplanned repair and maintenance.
- c. The Host ULB shall inform Participating ULB(s) of planned repair and maintenance activity in advance of such activity.
- d. The Host ULB shall inform Participating ULB(s) of unplanned repair and maintenance activity as soon as practicable and in any case within a reasonable period of time from the commencement of the activity.
- e. The Host ULB and Participating ULB(s) shall inform Desludging Operators within their respective jurisdictions of planned maintenance activity at the FSTP within in a reasonable period of time in advance of such activity.
- f. During the period of planned or unplanned repair or maintenance activity, the Host ULB and Participating ULB(s) may inform Desludging Operators to avoid desludging during the said period in the first instance and subsequently, of the next nearest treatment facility for disposal of Faecal Sludge and Septage.

32. Force Majeure Event

- a. As soon as practicable and in any case within a reasonable period of time from the date of occurrence of a Force Majeure Event or the date of knowledge thereof, the Host ULB shall inform the Participating ULB(s) of the same setting out, inter-alia, the following in reasonable detail: -
 - i. the nature, extent and estimated duration of the Force Majeure Event;
 - ii. the nature of and the extent to which, performance or any of its obligations under this MoU is affected by the Force Majeure Event;
 - iii. the measures, including securing monetary assistance from the State Govt., which the Host ULB has taken or proposes to take to mitigate the impact of the Force Majeure Event and to resume performances of such of its obligations affected thereby.
- b. As soon as practicable and in any case within a reasonable period of time from the receipt of the notification by the Host ULB in accordance with the preceding sub-clause (a), the Parties meet, hold discussions in good faith to: -
 - i. assess the impact of the underlying Force Majeure Event;
 - ii. formulate measures to mutually share damage costs in consultation with the AC;
 - iii. formulate damage mitigation measures and steps to be undertaken by the Parties for resumption of obligations.
- c. If a Force Majeure Event continues or is in the reasonable judgment of the Parties likely to continue beyond the original estimated duration, the Parties may mutually

decide to terminate this MoU or continue this MoU on mutually agreed revised terms. If the Parties are unable to reach an agreement in this regard, the Host ULB shall after the expiry of the said period, be entitled to terminate this MoU in accordance with Clause 15.

33. Termination

- a. The Parties hereby agree that the Host and/or Participating ULB(s) cannot terminate its participation in this MoU until it shall submit a written request to that effect to the AC clearly stating: (a) the reasons for seeking an exit from this MoU; (b) the Alternate Arrangement established by it to scientifically dispose the Faecal Sludge and Septage generated within its jurisdiction; and (c) the costs and benefits to the ULB in ceasing its participation in this MoU and the implementation of the Alternate Arrangement.
- b. The AC will grant approval for the exit of the Host and/or Participating ULB(s) only if:
 -
 - i. the Alternate Arrangement is viable and will enable the Host and/or Participating ULB(s) to dispose Faecal Sludge and Septage in accordance with the Applicable Laws;
 - ii. the Alternate Arrangement is more cost effective for the Host and/or Participating ULB(s); and
 - iii. the continued viability of the FSTP is not adversely affected.

34. Notices

- a. Unless otherwise stated, notices to be given under this MoU include but are not limited to a notice of waiver of term, breach of any term of this MoU and termination of this MoU, shall be in writing and shall be given by hand delivery, recognised courier, mailed, delivered or transmitted to the Parties at their respective addresses set forth below:

[Insert addresses of all Parties]

- b. All notices under this MoU shall be in English and/or Tamil.

35. Counterparts

This MoU may be executed in two counterparts, each of which when executed and delivered shall constitute an original of this MoU but shall together constitute one and only one MoU.

36. Severability

If any provision of this MoU shall be declared illegal, void or unenforceable, the same shall not affect the other provisions herein which shall be considered severable from such provision and shall remain in full force and effect.

IN WITNESS HEREOF THE PARTIES HAVE SET THEIR HANDS ON THE DATE, MONTH AND THE YEAR HEREIN ABOVE WRITTEN IN THE PRESENCE OF

Witnesses:

1. Host ULB
2. Participating ULB(s) 1
3. Participating ULB(s) 2
- [...]
4. Participating ULB(s) *[Insert number]*

ANNEXURE A

DISTRIBUTION OF O&M FEES

S. No.	Name of the Urban Local Body	Host/ Participating ULB	Annual O&M Fee (Rs.)	Monthly O&M Fee (Rs.)
1.				
2.				
3.				
4.				
5.				

ANNEXURE B

Deed of Participation

This deed is made on this the _____ day of _____ at _____

BETWEEN

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act, 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Host ULB”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

AND

[Insert name] Municipality/Town Panchayat established under the Tamil Nadu District Municipalities Act, 1920 of the State of Tamil Nadu, acting through *[Name of Commissioner/Executive Officer]*, the Commissioner/Executive Officer (hereinafter referred to as “Participating ULB(s) _____”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns)

WHEREAS

(a) The Host ULB has already entered in to a MOU dated _____ with few Participating ULB(s) as defined thereof. The said MoU pertains to the Operative Guidelines for Septage Management for Local Bodies in Tamil Nadu, 2014 (the “Operative Guidelines”) issued by the Municipal Administration & Water Supply Department, Government of Tamil Nadu (hereinafter referred to as “State Govt.”) under G.O. (Ms) No. 106, Dated 01.09.2014 imposing an obligation on each local body to adopt suitable processes for the effective management of Faecal Sludge and Septage generated within its jurisdiction. Pursuant to the Operative Guidelines, Local Bodies constituted under the Tamil Nadu District Municipalities Act, 1920 are responsible for, inter-alia, making adequate provisions for the collection/removal and disposal of Faecal Sludge and Septage.

(b) The State Govt. under G.O. (Ms) No. 88, Dated 31.08.2018; has developed a cluster-based approach to ensure optimum utilisation of existing Sewage Treatment Plants (the “STPs”) and new Faecal Sludge Treatment Plants (The “FSTPs”) in the State of Tamil Nadu. In furtherance of public interest and with the aim of improving standards of public health and sanitation in the State, the State Govt. has now decided to authorise and support this MoU to provide a facilitative framework for the operation and maintenance of the new FSTPs, created under said G.O (Ms) No. 88, dated 31.08.2018 so that the Municipalities and Town Panchayats within clusters may use the facilities for the scientific treatment and disposal of the Faecal Sludge and Septage generated within their respective jurisdictions.

(c) In the above circumstances, the Participating ULB(s) herein has proposed their interest to join as a party to the said MoU for the purposes of using the facility as per the terms and conditions as defined thereof.

NOW THIS DEED WITNESSETH

7. The Host ULB hereby agrees and accepts the Participating ULB herein as a party to the said MoU dated _____. As per the relevant provisions of the said MoU, the Participating ULB herein shall be treated as a party to the said MoU by virtue of execution of this Deed.
8. The Participating ULB undertakes, agrees and accepts all the terms and conditions of the said MoU and the same shall be fully valid and binding upon the Participating ULB herein. Any further revision or modification whatever carried out in the said MoU from time to time shall be fully applicable and automatically to the Participating ULB herein.
9. The Host ULB shall notify such revisions and modifications of the terms to the Participating ULB and the same shall bind the Participating ULB as mentioned above.
10. For the purposes of the said MoU, the Participating ULB herein shall be referred as "Participating ULB_____".
11. This Deed takes effect forthwith and the same shall be valid till _____. After the expiry of the said term, the parties shall have the option for renewing this deed of participation by executing suitable deeds.
12. All the obligations, liabilities, responsibilities, payment terms as mentioned in the said MoU shall be applicable to the Participating ULB.

IN WITNESS HERE OF THE PARTIES HAVE SET THEIR HANDS ON THE DATE, MONTH AND THE YEAR HEREIN ABOVE WRITTEN IN THE PRESENCE OF

Witnesses:

1. Host ULB
2. Participating ULB

Licensing Agreement

<Insert Host ULB name>

Application Form for Issuance of License for Collection, Transportation and Disposal of Septage to Private Operator with Vehicle(s)

ULBs covered under this License:

Application number:

Application type: New / Renewal

Name of the Operator (Business / Trade name)					
Name and Address of the Applicant					
Name and Address of the Vehicle owner(s) - Please mention if Vehicle owner is different from applicant					
Contact details (Mobile number and Email)					
No.	Registration number	Year of registration	Vehicle type [Four-wheeler vacuum truck or Tractor with tanker or Three-wheeler mini-truck, Others (please specify)]	Vehicle capacity (in Litres)	Previous year licensed (Yes / No)
1.					
2.					
3.					
4.					
5.					
I certify that above mentioned information given by me is true to the best of my knowledge and belief. I also certify that I have read and understood all the attached Terms and Conditions and agree to abide by them.					
Signature:					
Date:					

TERMS AND CONDITIONS:

1. Definitions

- a. "Application" shall mean an application made in such form as may be specified by the Concerned ULB from time to time.
- b. "Disposal facility" shall mean the arrangement for the scientific treatment and disposal of Faecal Sludge and Septage, as defined and earmarked by Municipal Corporation, Municipality or Town Panchayat.
- c. "Faecal Sludge" shall mean raw or partially digested, in a slurry or semi solid form, the collection, storage or treatment of combinations of excreta and black water, with or without grey water.
- d. "Host ULB" shall mean the ULB that owns and is responsible for the Operation & Maintenance of Faecal Sludge Treatment Plant or Sewage Treatment Plant or any other Disposal facility in the ULB Cluster.
- e. "Licensee" shall mean any person or firm or self-help group or society or private company holding License.
- f. "Operator" shall mean any person or firm or self-help group or society or private company granted the License to collect, transport and dispose Faecal Sludge and Septage.
- g. "Septage" shall mean the liquid and solid material that is pumped from a septic tank, cesspool, or such on site treatment facility after it has accumulated over a period of time.
- h. "Specified Vehicle" shall mean the vacuum truck or such other vehicle equipped with motorised pumps and storage tank owned by the ULB or Operator, of such design specification as may be approved from time to time by the ULB, for emptying and transporting Faecal Sludge and Septage.
- i. "Tipping Fee" shall mean the amount payable by the Operator to the Host ULB upon each visit to the Disposal facility for the disposal of Faecal Sludge and Septage.
- j. "Urban Local Body (ULB)" shall mean Municipal Corporation, Municipality or Town Panchayat.
- k. "ULB Cluster" shall mean the Municipal Corporations, Municipalities and Town Panchayats which together use an Faecal Sludge Treatment Plant or Sewage Treatment Plants defined as per G.O. (Ms) No. 106, Dated 01.09.2014 and G.O. (Ms) No. 88, Dated 31.08.2018 and as notified from time to time.
- l. "Worker(s)" shall mean any person engaged by the Licensee for collection, transportation and disposal of Faecal Sludge and Septage.
- m. Words and expressions used and not defined in these Terms and Conditions unless the context otherwise requires shall have the meaning as defined in the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) in the cases of

Municipalities and Town Panchayats, the concerned Municipal Corporation Act in the cases of Municipal Corporations.

2. Any Specified Vehicle(s) permanently owned by State Government or ULB or operated by the permanent employees of State Government or ULB for the transportation of Faecal Sludge and Septage, are exempted from obtaining License under these Terms and Conditions.
3. The departments or agencies specified in clause 2, which are exempted from seeking License, shall send in advance to the Host ULB the details of the Specified Vehicle(s) that intend to use the Host ULB's Disposal facility.
4. The Application is to be submitted to the Host ULB of the ULB Cluster specified in the Application along with:
 - Vehicle(s) documents – Registration certificate, Fitness certificate, Road tax, Insurance certificate and Goods Vehicle permit.
 - Photographs of the Vehicle(s) – Front view and rear view showing number plate.
 - Documents to be produced for drivers and workers employed – Government issued Photo Identity and Address proof, Medical certificate (Issued by registered medical practitioner by the State Government) along with Driving License.
 - Personal Accidental Insurance policy insured for a sum of Rs.10 Lakhs (Rupees Ten Lakhs Only) each for drivers and workers employed.
 - Signed undertaking to be given by Contractor in prescribed format where the cleaning and maintenance of Sewerage Systems (including Septic Tanks) is outsourced.
 - License Fee of Rs.1000 (Rupees One Thousand Only) and the mode of payment shall be prescribed by the Host ULB.
5. The Licensee shall produce the original copy of the documents for the purpose of verification. If any of the document submitted expires during the license period, the Licensee shall obtain a new valid certificate/document on or within 30 days of the last date of the validity of the existing document. If there is any change in staff, the photocopy of Driving License of the driver and Government issued Photo Identity and Address proof of the workers employed shall be submitted by the Licensee within 30 days of employment. The acknowledgment receipt received from the Host ULB upon submission of the Application form, License Fee and necessary documents, shall be retained until License is approved. The Host ULB shall verify the information provided in the Application form before the issuance of the License. If the documents and information furnished by the applicant do not provide all the particulars necessary to process the Application satisfactorily, the Host ULB may within 15 days from the date of receipt of Application require the production of such further particulars and details as it deems necessary. The License should be issued by the Host ULB within 30 days after the receipt of the Application and all other requirements.

6. In cases where the Application is not in accordance with any of the applicable Acts or Rules, or where the applicant fails to furnish the additional particulars called for, or where the submitted documents cannot be authenticated, the Host ULB may reject the Application or refuse renewal of License for reasons to be recorded in writing, and furnish a copy of the same to the applicant. An appeal along with justification to the Host ULB shall be made within 15 days from the date of receipt of the notice refusing to grant a License or renew a License. Such appeal shall be disposed of within a period of 30 days from the date of receipt of such appeal in the first instance. Further appeal with no fee can be made by the applicant to the respective Regional Directorate of Municipal Administration for Municipalities or respective Assistant Director of Town Panchayat for Town Panchayats or Commissionerate of Municipal Administration for Municipal Corporations with timely disposal within 45 days of receipt of appeal
7. The License issued shall be valid for the Financial Year corresponding to the Application date, unless revoked earlier. The License issued shall be prominently displayed with windshield sticker on the Specified Vehicle(s).
8. The Application for renewal of a License shall be made to the Host ULB in prescribed form one month before the date of expiry of the License and the Terms and Conditions applicable to the grant of License shall apply to the renewal of the License. The Host ULB shall dispose of such renewal Application within 30 days from the date of its receipt and not later than the expiry of the validity of the License. For License renewal, License Fee at the rates as may be prescribed by the Host ULB shall be paid by the applicant.
9. The License is valid for collection and transportation and disposal of Faecal Sludge and Septage from all buildings whether used for residential or commercial or institutional purposes within the jurisdiction of each ULB included in the ULB Cluster specified in the Application. The License is not valid for collection and transportation of industrial waste or mixed industrial waste of any nature whatsoever. The Licensee found carrying industrial waste or mixed industrial waste shall be deemed to be in violation of the Terms and Conditions of the said License.
10. The Licensee shall be required to produce License upon demand by Executive Authority of the ULBs included in the ULB Cluster as necessary.
11. The ULBs included in the ULB Cluster shall publish the list of licensed Operators from time to time in order to ensure that the Owner or Occupier of a building or part of it located in the ULB jurisdiction engage licensed Operators for collection and transportation of Faecal Sludge and Septage. This shall include information about public complaint / grievance redressal mechanism to report violations by Operators.
12. The Licensee shall report incidents during collection to the nearest ULB included in the ULB Cluster.
13. The License granted by the Host ULB shall not mean exemption from requirements or Licenses or clearances required for the business or trade or activity under various other applicable rules, laws and regulations.

14. The Licensee shall dispose the Faecal Sludge and Septage at the disposal facilities during the operational hours as notified by the Host ULB.
15. The Licensee has agreed to pay the Tipping Fee of Rs.100 (Rupees One Hundred Only) levied by the Host ULB for disposing Faecal Sludge and Septage at the Disposal facilities. The Tipping Fee shall be subject to revision and notified by the Host ULB from time to time.
16. The Licensee found dumping Faecal Sludge and Septage at any location or site other than at the Disposal facilities in the ULB Cluster shall be deemed to be in violation of the Terms and Conditions of the said License.
17. The Licensee deemed to be in violation of the Terms and Conditions of the said License, shall be issued show cause notice and be liable to pay the Host ULB a fine as notified by the Host ULB from time to time for each instance of violation. In case the Licensee is in repeated violation, the Host ULB shall issue show cause notice and the License issued may be revoked. The Operator and the Vehicle owner shall be jointly held responsible for the violations.
18. The Licensee shall maintain a log book record of each trip undertaken for collection, transportation and disposal in format as prescribed by the Host ULB and submit the same to the Host ULB every quarter.
19. The Licensee shall ensure screening of the quality of Faecal Sludge and Septage transported at the Disposal facility and provide necessary information about the location and site of collected Faecal Sludge and Septage to the facility in-charge.
20. The Licensee shall equip the Specified Vehicle(s) used for transportation of Faecal Sludge and Septage with a Global Positioning System (GPS) instrument approved by the Host ULB. The Licensee shall permit access of the GPS instrument and provide it to the ULBs included in the ULB Cluster. The Licensee shall ensure that the GPS instrument is functional and transmitting data without interruption. Interruption in data received may be considered a violation (as defined in clause 17 above).
21. The Licensee shall maintain the Specified Vehicle(s) in good and workable condition so as to avoid any accidents. Executive Authority of the ULBs included in the ULB Cluster may inspect and regulate the quality and maintenance of the Specified Vehicle(s).
22. The Licensee shall ensure no leakage/spillage of Faecal Sludge and Septage during transportation from the collection point to the Disposal facility. In the event of accidental spillage of Septage, the Licensee shall immediately take action to contain the Septage, minimise the environmental impact, and remove all Septage immediately from the sites of spillage. The Licensee shall notify the nearest located ULB in the ULB Cluster where the event took place about the spillage and action taken within 24 hours of the occurrence of the event.
23. The Licensee shall ensure that each driver and worker employed undergoes periodic training and participates in other activities organised by each ULB included in the ULB Cluster from time to time.

24. The Licensee shall ensure all drivers and workers employed follow Standard Operating Procedures for Sewer and Septic Tanks - Mechanised cleaning as per Circular Roc. No. 11333/2015/J2, dated 10.05.2019 and other guidelines notified from time to time, ensure procurement and usage of safety gears during collection, transportation and disposal of Faecal Sludge and Septage.
25. The Licensee shall ensure that each driver and worker employed undergoes health check-up at the State Government approved hospital and shall submit a record of the same to Host ULB at the time of renewal of License.
26. The Licensee shall insure each driver and worker employed for an individual sum of Rs.10 Lakhs (Rupees Ten Lakhs Only) towards Personal Accidental Insurance every year and submit the policy document to the Host ULB at the time of renewal of License.
27. In case of violation of any of the provisions of G.O. (Ms) No. 293, Municipal Administration and Water Supply Department, dated 26.11.2010 – Ban on entry of workers into the Sewerage System and Septic Tanks including the Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013, and Circular Roc. No. 11333/2015/J2, dated 10.05.2019, the Licensee shall be issued show cause notice by the Host ULB, liable to a fine as notified by the State Government from time to time and shall result in revocation of the License.
28. The Licensee shall comply with the provisions of the G.O. (Ms) No. 106, Municipal Administration and Water Supply Department, dated 01.09.2014 – Operative Guidelines for Septage Management for Urban and Rural Local Bodies in Tamil Nadu, Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) in the cases of Municipalities and Town Panchayats, the concerned Municipal Corporation Act in the cases of Municipal Corporation and all local legislations and bye-laws as may be applicable from time to time to the activities being performed under this License.
29. The Host ULB reserves the right to revise any of the conditions of this License or impose further conditions from time to time during the validity of this License.

It is hereby undertaken that the above stated Terms and Conditions have been clearly understood and fully agree to abide by the same.

Date:

Name:

Signature:

Driver / Worker Details (To be filled)		
S. No.	Full Name	Government issued Photo ID and Address Proof Type and Number

Format of the Undertaking to be given by Contractor in cases where the cleaning and maintenance of Sewerage Systems (including Septic Tanks) is outsourced

- (1) I (Name, Age, Father's name and Address of the Contractor) am aware of the directions of the Hon'ble High Court of Madras in its order dated 21.2008 in W.P.No.24403/2008. And the orders of the Government of Tamil Nadu in G.O (MS) No.293, M.A & W.S (MW) Department, dated 26.11.2010, regarding the ban on manual scavenging and on the entry of sanitary workers into the sewerage system or septic tank. I undertake to abide by the said directions of the High Court and Government Order in this regard.
- (2) I shall not allow sanitary workers to enter into the sewerage systems/septic tank for cleaning or maintenance operations except on the 4 circumstances permitted in the orders of the High Court in W.P.No.24403, dated 20.11.2008.
I am aware that even in these 4 circumstances, I should allow the workers to enter only with adequate safety gadgets and under the supervision of a qualified staff, and only after duly observing all safety precautions including testing for the presence of toxic gases.
- (3) I am aware that violation of the said directions of the Hon'ble High Court and the G.O will attract punishment under section 1 of the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993.

Signature of the Contractor

Date

S.No.	Form / Document	Submitted for Vehicle(s)				
		1	2	3	4	5
1.	Registration certificate					
2.	Fitness certificate					
3.	Road tax					
4.	Insurance certificate					
5.	Vehicle permit					
6.	Photographs of the Vehicle(s) – Front and Rear side showing number plate					
7.	Government Photo ID and Address proof – Drivers and Workers					
8.	Medical certificate – Drivers and Workers					
9.	Personal Accident Insurance policy – Drivers and Workers					
10.	Driving License (s)					
11.	Signed undertaking to be given by in prescribed format in cases where the cleaning and maintenance of Sewerage Systems (including Septic Tanks) is outsourced					

I hereby certify that I have enclosed all the above-mentioned documents correctly to the best of my knowledge and that nothing has been concealed by me.

Date:

<Signature of the applicant>

NOTE – Please bring the original documents whose attested photocopies have been attached with the file.

**** For office use only ****

OBJECTIONS

(A) The following Forms/Documents have NOT been attached/completed in the file:

S.No.	Form / Document
1.	
2.	
3.	
4.	
5.	
Any other objections / observations:	

(B) Certified that I have checked the file and the same is fit

Date: Signature of the Executive Authority of the <Insert ULB name>

Private Operator License Template

<Insert ULB Name>

Private Operator License for the Collection, Transportation and Disposal of Faecal Sludge and Septage

In accordance with all the Terms and Conditions of the current ULB's *{insert relevant council resolution(s)/notified bye-law /Government Order}*, the conditions accompanying this License, and all applicable rules, laws or regulations of Government of Tamil Nadu, permission is hereby granted to:

License Number:

ULBs covered under this License:

License Holder: <Name and Address of Operator>

Vehicle Registration Number(s):

- 1.
- 2.
- 3.
- 4.
- 5.

For the collection and transportation and disposal of Faecal Sludge and Septage from all buildings used for residential or commercial or institutional purposes within the jurisdiction of above mentioned ULBs included in the <Insert ULB Cluster name>

This License is effective for the period set forth below, may be suspended or revoked for Non-Compliance of License Terms and Conditions and is not transferable.

Valid from: __/__/__ to __/__/__

Signature of Executive Authority of the <Insert ULB name>