M.R. G. 1—89,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1461 Press ~~Mis.~~

575-576

Dated 25 16 May 1929

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
25th May 1869.

No. 575. Read the following Proceedings of the Madras Government in the Public Works Department :—

Passing orders on the letter from the President of the Municipal Commission, forwarding the Proceedings of a Special Meeting of the Commissioners held to consider the proposal of the Government of India on the subject of the Madras Water-Supply Project. (Here enter 17th May 1869, No. 1,622.)

No. 576. ORDER THEREON, 25th May 1869, No. 1,461.

Irrigation, No. 15.

COMMUNICATED to the Revenue Board.

(True Extract.)

(Signed) H. WELLESLEY,
Acting Under-Secretary to Government.

To the Board of Revenue, with Proceedings Public Works Department, No. 1,622.

Exd. E. C. Shunker.

22/12/22

Public, 24 March 1869 (illegible)

REVENUE.

No.

THE BOARD OF REVENUE.

Dated May, 25th.

Recd.

Encl.

G. O., 25th May 1869, No. 1,461.

MAY.

Nos. 575-576.

Madras Water-Supply Project—Order in the Public Works Department transmitting the Papers to the Government of India communicated to Revenue Board

Proceedings of the Madras Government, Public Works Department, 17th May 1869.

No. 391. Read the following letter from the President of the Municipal Commission, Madras, to the Chief Secretary to Government, Fort Saint George, dated Madras, 26th April 1869, No. 258:—

No. 1,014, dated 24th March 1869, Public Works Department.

With reference to Proceedings of Government noted in the margin, I have the honour to forward, for submission to the Right Honourable the Governor in Council, Proceedings of a Special Meeting of the Municipal Commissioners held at this Office, on the 21st instant, to consider the proposal of the Supreme Government on the subject of the Madras Water-Supply Project.

Minutes of the Proceedings of a Special Meeting of the Municipal Commissioners for the Town of Madras held at their Office premises, No. 22, Errah Bauloo Chetty, Street in the Black Town of Madras, on Wednesday the 21st day of April 1869, pursuant to Section 19 of the Madras Municipal Act of 1867.

Present:

Colonel C. A. Denison, *President.*

Commissioners:

Captain W. H. Edgcome,
Colonel A. C. Silver,
Dr. W. H. Paterson,
Dr. J. Miller,
C. Pardasardy Naidoo, Esq.,
V. Kristnamah Charry, Esq.,
M. Vencatasawmy Naidoo, Esq.,
F. Narasimmooloo Chetty, Esq.,
A. Alwar Chetty, Esq.,
F. Doderett, Esq.,
C. Grant, Esq.,
J. G. Coleman, Esq.,
J. C. Lyster, Esq.,
A. MacKenzie, Esq.,
J. Grose, Esq.

Subject.—Proposed loan to the Municipality of Madras on account of the Madras Water-Supply Project.

Proceedings of the Madras Government in its Public Works Department, dated 24th March 1869, No. 1,014, was taken as read, the same having been in circulation among the Commissioners.

The President read his Minute as follows:—

Gentlemen,—My object in calling you together at a Special Meeting to-day is, as you are aware, to consider the Proceedings of the Supreme Government, and Order thereon, on the subject of the Madras Water-Distribution Project. These Proceedings have been in circulation among the Commissioners for the last fortnight, and I shall be glad to hear presently your views on this all-important subject.

There can be no doubt as to the proposition of the Supreme Government being on an enlarged and liberal basis, and it will be for you to decide whether we can accept the terms offered in their integrity, or whether we can propose others better suited to our means and the interests of the rate-payers whom we represent.

It is stated in the Proceedings that, in the opinion of the Right Honourable the Governor General, "Madras may certainly ask for terms not less favourable than those granted to Calcutta; "and, indeed, considering the real moderation and economy of Madras, some greater advantages "might perhaps be conceded to that city".

Before, however, determining on what Madras should ask for, it is necessary to examine the terms proposed in the Proceedings of the Supreme Government, which are as follow:—

"That the whole additional supply of water stored is 100,000,000 cubic yards, of this 53,000,000 are to be used by the Government, and 32,000,000 by the Municipality, besides 15,000,000 which are of no use; in all the Municipality has 47,000,000 stored for its purposes. If, therefore, the cost (eight lacs) be divided in the proportion of 53 to 47, it gives four-and-a-quarter lacs for Government, and three-and-three-quarters for the Municipality: it is then proposed that the Municipality shall be considered as Joint Proprietors of the reservoirs, and be allowed to pay the interest on the above capital, plus a proportional share of maintenance charge;" and what that may be we have no means of judging.

The object of this proposal is having due regard to the purposes to which the water is to be applied—not to treat the Municipality as customers from whom the Government would take a profit.

This no doubt evinces a liberal spirit on the part of the Supreme Government, and we could not expect to be dealt with more liberally; but the plan by which this has to be worked out is attended with certain disadvantages, in which no doubt the Commissioners will be of the same opinion as myself.

I am not an Engineer, and therefore cannot give an opinion as to the professional part of the work; but I had an opportunity the other day, in company with Colonel Silver, Captain Edgcome, and Mr. Lee, of inspecting the works in progress as far as the head-sluice at the outlet of the Cholaverum tank, and was forcibly struck with the magnitude of the work already performed, and of the immense amount still to be executed; and beyond this again, which we had not time to see, is the anicut in the Cortelliar and Delivery Channel, from that river to the Cholaverum tank. If, therefore, we were to accept the terms offered, *viz.*, of being Joint Proprietors of the reservoirs and supply-works, and bear also our proportionate share of the maintenance works, we should, I think, be committing ourselves to a project over which we have not had, and cannot expect to have, any control; and for all we know the expense of the works may be eight, ten, or twelve lacs, which would make a sensible difference in our proportionate share of the expenditure; then again the maintenance of these vast works at such a distance from Municipal limits would probably be a fertile source of disagreement between the Municipality and Government; for, while the cost of maintenance might be on a scale which would be a mere flea bite to Government, it would probably not at all come within the bounds of that economy and moderation for which we have received the commendation of the Supreme Government; and it appears, therefore, to me that we might render ourselves liable to all the evils which share-holders of a Joint Stock Company are subject, without the advantages of limited liability.

There appears also to be some difference in the Proceedings of the Supreme Government, if we look at paragraph 14, as regards the sum payable to Government by the Municipality: as it is there stated, we should pay *permanently* 32,000 Rupees yearly, besides six per cent. on the sum borrowed for the distribution-works; whereas this Government in their Proceedings of the 30th October 1868, No. 3,109, based on our proposal, record that we should pay at the rate of 7 Rupees per 7,000 cubic yards, the Government recognizing a prior claim on the part of the Municipality to 32,000,000 of cubic yards per annum.

Under this ruling of the local Government we should not have to pay for more water than we actually use, and therefore these terms are more favourable to the Municipality than those contained in paragraph 14 of the Proceedings of the Supreme Government.

I purpose, after hearing what the Commissioners have to say on the subject, submitting a resolution for your consideration.

Colonel Silver then said as follows:—

I quite agree with all that the President has said. I am decidedly of opinion that it is better for us to confine ourselves to the cost of construction and maintenance of our own works.

I have been lately over the works at Cholaverum and the Red Hills, in company with the President and Captain Edgcome, and I confess I would rather have seen the Government works

Proceedings of the Madras Government, Public Works Department,
17th May 1869.

further advanced before we broke ground. However, the Government have promised us a certain quantity of water delivered at a certain level, and I have no doubt that promise will be fulfilled; and the sooner we begin our works, the better. With regard to our becoming co-partners with the Government in these works, it appears to me simply to resolve itself into a question of whether our share of cost of maintenance, *plus* share of cost of construction of Government works, say about five lacs, or paying at prime cost for the water supplied, would be the most favourable to the Municipality. Cost of maintenance of these Government works we cannot estimate. It might come to a great deal, as accidents might occur rendering another large outlay of capital necessary; and I do not think we should incur these risks. Becoming responsible for ordinary maintenance involves extraordinary charges, and I think it better we should not involve ourselves with works over which we shall have no controlling authority; besides, I always cling to the hope that Government will ultimately relieve us from payment for water consumed.

I think our best plan is decidedly to accept the Government offer of the water we consume at prime cost, and confine ourselves to our own works.

Captain Edgcome said as follows:—

That, while fully concurring in all that had fallen from the President and Colonel Silver regarding the inexpediency of the Municipality becoming Joint Proprietors with the Government in the reservoirs and other works connected with the project for the supply of water to Madras, there was one point that had not been noticed, *viz*, their share of the cost of construction of such works. This, considering the extent to which the original estimate of eight lacs will probably be exceeded, will not fall short of five lacs; so that, in my opinion, the subject resolved itself into this form: whether is it more to the interests of the Municipality to pay six per cent. on eighteen lacs (cost of distribution and share of construction) for twenty-six years, being the time it would take to pay off the loan by contributions to a Sinking Fund, in accordance with the proposals of the Government, and in addition to this, one-third of the cost of the maintenance of the works in perpetuity, and get their water free, or to pay six per cent. on the thirteen lacs loan for the distribution work for twenty-six years; and in addition to pay, at cost-price, for all the water consumed.

Considering the magnitude of the works to be maintained and the attendant risk, I have no hesitation in recommending the latter of these proposals.

The cost-price of the water had been estimated at 10 Annas per 1,000 cubic yards, and was thus arrived at: taking 100,000,000 cubic yards as the extra storage in the reservoirs, of which amount 32,000,000 cubic yards would be required by the Municipality, that is, about one-third of the whole, the cost of the water supplied to them would be four lacs (assuming the whole supply-works to cost twelve lacs) the interest on which, at five per cent. per annum, would be 20,000 Rupees; and this gives us exactly 1,000 cubic yards for 10 Annas.

The President thereupon proposed as follows:—

Resolution.—The Municipal Commissioners having had under consideration the proposition of the Supreme Government with regard to the Madras Water-Distribution Project, while thanking Government for the liberal terms they offer, are nevertheless of opinion that, looking to the interests of the rate-payers, it is not desirable that they should become Joint Proprietors of the reservoirs with Government, and also bear their proportionate share of the maintenance of these and all other works connected therewith; but considering the very limited means at the disposal of the Municipality, and the probability of further calls upon them for works of an equally important nature, such as drainage, they are of opinion that, as the Supreme Government have been pleased to express themselves to the effect that they do not desire to make a profit in the water supplied to the Municipality, they prefer accepting this offer, and to pay, at prime cost, for the water consumed by them, which proposition was seconded by Mr. Vencatasawmy Naidoo and carried unanimously.

The Meeting then terminated.

(Signed) C. A. DENISON, Colonel,
President, Municipal Commission.

Proceedings of the Madras Government, Public Works Department,
17th May 1869.

No. 392. ORDER THEREON, 17th May 1869, No. 1,622.

IRRIGATION, No. 23.

ORDERED that these papers be laid before the Government of India, with reference to their Proceedings, dated 11th March last, No. 55 A.—I.

(Here enter, No. 1,623, dated 17th May 1869.)

(True Extract.)

Colonel, R.E.,
Secretary to Government.

To the Municipal Commissioners, Madras.
,, Public Department.
,, Superintending Engineer, 4th Division.
,, Chief Engineer for Irrigation.
,, Revenue Department.

Exd. F. R. Bantleman.

Ho. 1461

Comm.r Clothes
Rev. Board—

14 To the Bd of Rev.e with Rev.
P. W. D. No. 1622

Del.: 25th May.

Revenue Dept.

No. 1632.

Govt. of {1869} Madras.

PUBLIC WORKS.

To

THE MUNICIPAL COMMISSIONERS,

MADRAS.

&c., &c., &c.

Dated May. 17th.

Rcvd. 19th *Instt.*

G. O., 17th *May* 1869, *No.* 1,622.

MAY.

Nos. 391-392

Madras Water-Supply Project.—Passing orders on the letter from the President of the Municipal Comission, forwarding the Proceedings of a Special Meeting of the Commissioners held to consider the proposal of the Government of India on the subject of the Madras Water-Supply Project.

No. 1461-25 May

Walter Ward