



Management Meeting Minutes

3rd Thromde Council

18th Management Meeting

18th Management Meeting

Date -4th January 2024

Venue- Conference Hall

Time – 9:30AM – 5:00PM

Member Present

Sl. No	Name	Designation
1	Ugyen Dorji	Thrompon
2	Karma Namgyel	Executive Secretary
3	Thinley Norbu	Chief UPD
4	Tashi Phuntsho	Chief, CoED
5	Yeshi Wangdi	Chief Engineer
6	Kinzang Dendup	Chief TEO
7	Norbu Dendup	Chief Finance Officer
8	Sonam Tobgay	Chief, LRSD
9	Ugyen Tshechu Dorji	Dy. Chief Legal Officer
10	Tashi Dorji	Officiating Chief, O&MD
11	Kezang L Dorji	Officiating Chief, CiED
12	Zangmo	Principal Thromde Health Officer
13	Dorji Zangmo	ICT Officer
14	Deepak Ghallay	ICT Developer
15	Sonam Namgay	Dy. Executive Engineer
16	Karma Dorji	Sr. Planning Officer

Opening Remarks

The Chair warmly welcomed all members of the Management to the 18th sitting and extended greetings to the new employees who recently joined the Thromde family. He conveyed his best wishes to them and assured them that the management and the team would work hand in hand to achieve the common goals of Thromde. The Chair expressed gratitude to the entire team for their great effort during the preparation for the 116th National Day. The success of the event preparation, including the build-up programs carried out by Thromde, was attributed to the teamwork and effort of all teams, which were appreciated by many. He thanked everyone and encouraged them to



maintain the same spirit, emphasizing the importance of continuing to work as a team. "If it is for the betterment of the city and the country, there is no need for others to see us working; we must keep working towards what is required of Thromde," he added, emphasizing that the results should speak loudly. Thromde, as a whole, has excelled in various sectors, including waste management, sewer, public transport, infrastructure development, and others. The Chair expressed gratitude to all employees, led by the Executive Secretary, for their dedication and hard work.

Agenda 18.01 -Proper Coordination and Understanding with critical stakeholders of Thromde

The Executive Secretary emphasized the crucial need for effective coordination with all stakeholders, including other service providers and agencies. As Thromde functions as a service provider, establishing proper coordination with other stakeholders is vital for delivering services in a well-coordinated manner. The Executive Secretary cited a recent incident involving the control of roadside vegetable vendors at the CFM areas, where the support and assistance from the RBP and others played a significant role in managing the situation smoothly. The importance of coordination was further highlighted in managing various events such as BiswaKarma Puja, Thimphu Tshechu and many others. It was emphasized that involving all stakeholders in a systematic manner is essential for successful event management. Beyond event management, a collaborative understanding among stakeholders is crucial to prevent potential blame games later on.

The Chair expressed support for the concept, acknowledging its importance. However, the Chair also acknowledged the challenge of bringing all stakeholders to the table. Nevertheless, it was suggested that initiating the process would be beneficial to see if it establishes clear pathways for delivering services effectively.

Decision

The Management instructed each Division/Section to document all issues intended for discussion with other stakeholders and convene coordination meetings when a sufficient number of topics have been identified. These meetings should occur at least once a year, with a maximum frequency of twice annually.

Action - Each Division

Agenda 18.02 - Pay increment for CiED inspectors, sweepers, STP & WTP's workforces

The Officiating Chief of CiED and O&M Divisions presented a proposal for a salary increment for specific categories of Thromde workforce within their divisions. One group of workforces receives a lump sum of Nu 500 per day. This higher payment was



attributed to the nature of their work and their performance. Despite recent approvals for pay increments for the general workforce, their lumpsum pay could not be revised. Consequently, the divisions recommended to the Management to align their pay scale with the highest salary level within the workforce. Additionally, the O&M Chief proposed a salary increase (or the promoting to skilled category) for a few skilled workers in his division since, despite their skills, they are currently paid at a level equivalent to the lower category of Thromde Workforce.

Decision

1. The Management has resolved to align the remuneration of the special category workforce, previously receiving Nu 500 per day, with the highest level of pay for the general workforce. This revision shall be effective retrospectively from the effective date of the revised National Workforce wage rate issued by the Ministry of Finance. However, the decision is now submitted to Tshogde for endorsement.
2. Regarding the change of category for the skilled VTI graduates at WTPs, the management forwarded to HRC to decide.

Action - FD and HRC

Agenda 18.03 -Sewer Tanker Services

The O&M division reported that after Thromde initiated the provision of free sewer tanker services, there was an overwhelming demand, with some building owners applying for the service 6-7 times a year.

In response, the Chair explained that the rationale behind providing free tanker services was to compensate those without sewer network connectivity who were still paying sewer charges along with their water tariff. However, the Chair acknowledged that if the situation becomes unmanageable, it will have to be reconsidered. Other members pointed out that previously, a free service had been provided once a year, considering that individuals were already paying sewer charges. This one-time service was introduced because the one-time sewer tanker charges were higher compared to the sewer charges (50% of water charges) they pay to Thromde.

Decision

1. The management decided to provide 3 times free sewer taker services in a year (calendar year) for those without sewer network connections.
2. The service to other districts will be provided only if there is no pending list within Thromde.
3. The decision is forwarded to Tshogde for appraisal.

Action - O&MD



Agenda 18.04 -Discontinuance of cash deposit in the Revenue Section

The Finance Division proposed transitioning all payments made at the revenue counter to an online platform and discontinuing cash transactions. The primary aim is to eliminate cash handling and enhance the efficiency of revenue collections.

Decision

The Management opted to initiate a pilot project for discontinuing cash payments at the revenue counter. If no significant issues arise during this trial period, the discontinuation can be implemented permanently. Information regarding this change will be communicated to the public through the Thromde webpage and area Tshogpas.

Action - Finance Division/ ICT

Agenda 18.05 -Water billing daily reconciliation to be done by Pema Lhazom and Cheki Zangmo together with Revenue Section

Ms. Pema Lhazom and Ms Cheki Zangmo are involved in collecting water tariffs under the water billing unit. They are involved in reconciling with the revenue section monthly. The Chief Finance Officer proposed that they will have to carry out reconciliation of water bill collections daily with the revenue section.

Decision

The management approved the proposal and directed the Finance Division to issue Office orders to Officials concerned.

Action - Finance Action

Agenda 18.06 -WorkForce advance to be discontinued except on genuine grounds

Following the recent salary increase, the Finance Division suggested discontinuing the salary advance to reduce unnecessary challenges for the accounts personnel. However, others expressed disagreement, stating that, in genuine cases, it might be challenging for individuals to rely solely on their monthly salary.

Decision

The management decided to give salary advance 2 times a year (fiscal year) and all supervisors/division heads and Finance Division to verify the applications for the genuineness.

Action - FD and Division Heads



Agenda 18.07 -Incentives claimed by Sanitary and Building Inspectors

The Finance Division put forward that the incentives approved by earlier Tshogde for sanitary inspectors need endorsement from Tshogde. The Chief Finance Officer also reported that some building inspectors have also applied for incentives related to the penalties they imposed. However, due to a lack of a solid basis, he could not make any payments and sought further directives from the Management.

The Chair clarified that, in the past, the Management did not approve incentives for building inspectors. However, for reporting environment-related cases through the app developed by the erstwhile NEC, everyone is eligible. The Chief Finance Officer informed that a previous decision was made for 50% of fines levied as incentives for sanitary inspectors. The executive secretary submitted that this decision could have been taken earlier in the absence of an app at that time. However, if they utilize a waste app, eligibility is confirmed, and payments will be facilitated by through the app by NEC.

Decision

After deliberation, the Management decided the following, henceforth;

1. All waste related penalties and incentives must be routed through the national waste app and get paid through the app and Thromde shall not entertain any receipt related to wastes.
2. Only water related penalties and incentives decided earlier (as 20%) shall be paid based on receipt (by Thromde) since it is not covered by the waste app.
3. So far pending incentives can be put to Tshogde for endorsement as decided by the earlier Tshogde (in 2021) and pay to the officials concerned.

Action - FD and all Officials concerned

Agenda 18.08 -Defaulter's list against the deposits such as archery range, parking fees etc is not reflected in the ARMS system and Presentation of Annual Maintenance Contract for ARMS

The Chief Finance Officer reported that some specific revenue sources, including archery ranges, parking fees, and rents, are not currently visible in the ARMS system. Consequently, it is challenging to verify if all lessees have made their payment obligations. The system cannot generate the defaulters list if any. To address this, until proper system integration is implemented, he proposed maintaining accurate manual records. As a result, he requested that all copies of lease agreements be shared with the revenue section.



Discussion

The Chair emphasized the urgency of integrating the identified heads, including archery ranges, parking fees, and rents, into the ARMS system promptly. The ICT developer was instructed to thoroughly examine the existing system and ensure the integration of all necessary components. If required, assistance from technical institutes such as CST or Gyelpozhing IT college should be sought. Additionally, the Asset Manager was tasked with creating an inventory of all Thromde assets for efficient tracking. Integration of waste and street light charges into the system was also highlighted as a priority for effective collection. The Chair further reminded all members to promptly execute actions directed to avoid future consequences.

Decision

For point 1 -

1. The Management directed the Asset manager to make an inventory of all archery ranges, vegetable sheds, parking and all other assets within Thromde.
2. The Management decided to establish revenue collection heads for archery ranges and parking fees that are currently not incorporated in ARMS. The ICT services was instructed to undertake this task promptly, and any issues, challenges, or assistance needed were to be reported to the Management for guidance. In the interim, the revenue section and the asset manager were directed to maintain manual records.

For point 2-

Action. – ICT and FD

Agenda 18.09 -Construction of Borewell which costs over Nu.10 million with no budget allocated

The Finance Division presented that the construction of the borewell which costs over Nu 10.00M has no dedicated budget. Since it is a new activity, the Chief Finance Officer proposed to be included in the next fiscal year.

Discussion

The Chair stated that the fund for this activity can be re-appropriated from other capital activities as the water is very critical right now in the south area. Since the existing water sources are not able to meet the current demand in the area, the construction of a borewell has been prioritized.

Decision

The management decided that the construction of the borewell shall continue since it is very critical to address the water shortages in the south. The budget to be re-



appropriated from the unused street light replacement budget. The same can be put to Tshogde for endorsement.

Action - Finance Division

Agenda 18.10 -Revenue status of Thimphu Thromde

The Finance Division presented to the Management the revenue status of Thromde. The table below shows the revenue summary of Thromde:

Summary of Revenue collections and allocations				
SI No.	Month	Collections	Apportionment	Balance
				85,477,030.86
1	July 23	37,919,479.44	67,235,659.00	56,160,851.30
2	Aug 23	25,236,072.48	535,153.71	80,861,770.07
3	Sept 23	20,266,212.85	89,229,099.00	11,898,883.92
4	Oct 23	20,713,570.79	1,764,869.58	30,847,585.13
5	Nov 23	16,926,015.94	78,188.18	47,695,412.89
6	Dec 23	17,879,070.63	30,024,419.00	35,550,064.52
7	Jan 24	-	-	35,550,064.52
8	Feb 24	-	-	35,550,064.52
9	Mar 24	-	-	35,550,064.52
10	Apr 24	-	-	35,550,064.52
11	May 24	-	-	35,550,064.52
12	June 24	-	-	35,550,064.52
	Total	138,940,422.13	188,867,388.47	
Revenue Projections for the FY 2023-24 based on past year				350.000
Revenue Collection till December 31st 2023				138.940
Estimated collection for the FY 2023-24				277.881
Budget Allocation for the FY 2023-24 from Revenue				305.000
Revenue shortage for the FY 2023-24				27.119
How Revenue shortage would be addressed for this FY? Opening Balance				85.477

Discussion

The Chair raised concerns about the discrepancy between the figure presented in the table above and the real-time data from the ARMS system, noting a difference of approximately Nu 4.0M. The Chief Finance Officer explained that collections, especially

through the ePEMS system for items like water tariffs and rents from government agencies, are not immediately updated in the bank system. To address this, the Finance Division was advised to reconcile the figures by checking if they align when all cash and cheque collections are deposited in the bank.

Discussing the current status of revenue, the Chief Finance Officer presented that the estimated revenue collection for the fiscal year 2023-2024 of Nu 277 M. As of December 31st, the revenue collection stands at Nu 138.94 M. The total current budget allocation for the fiscal year is Nu 305 M. Therefore, in the upcoming half-year until June 2024, Thromde needs to collect more than Nu 166 M to cover the current expenses. Based on the revenue estimation of Nu 277 M, the Chief Finance Officer reported a shortfall of Nu 27 M. However, the Chair clarified that Thromde was unable to collect waste and street light charges in the past half-year due to the non-collection of property tax. Once these charges are collected, Thromde should be financially stable for the current fiscal year.

Decision

The Management directed the Finance Division to carefully study why the figures shown by the bank statement and the ARMS figures are different and how to reconcile it.

Action - Finance Division

Agenda 18.11 -Notification on the consolidation of CD Accounts

The Chief Finance Officer shared with the Management the notification along with the guidelines pertaining to consolidation of CD accounts. As per the notification, all the CD accounts shall be consolidated as Government Consolidated Fund Account (GCFA) and all expenditures from the CD account shall be routed through the government budgetary system.

Discussion

The Chief Finance Officer presented that, in accordance with the CD account consolidation guidelines, all revenue CD accounts, budgetary CD accounts, audit recovery accounts, and escrow accounts must be transferred to Government fund accounts on a weekly basis. Thromde currently maintains revenue and budgetary CD accounts. He mentioned that Thromde has communicated to the Ministry of Finance (MoF) expressing inconvenience in closing the revenue CD account. In fact, all Thromde current expenditures are now made through the government payment system he submitted.

Additionally, the Chair pointed out that, based on earlier MoF guidelines, Thromde currently makes expenditures from revenue through the government payment system



(ePEMS), which should suffice. However, it was acknowledged that depositing daily fees and charges collected into a government fund account, unlike annual taxes, could be challenging. The Chief Finance Officer informed that discussions with the MoF is ongoing to develop a separate Standard Operating Procedure (SOP) to address this issue. He emphasized that the primary intention of consolidation is to prevent dormant funds in the CD account, and if agencies spend the funds as required, it would be facilitated. The Chair assured that, there cannot be any dormant fund in Thromde.

The Chief Finance Officer also shared another notification regarding property tax collection, which states that local governments, including Thromdes, are to facilitate the collection and deposits of property taxes.

Decision

1. The Management directed the Finance Division to move on with the current arrangement where Thromde deposits quarterly and makes payment through the government payment system.
2. With regard to facilitation for collection and depositing of property taxes, the Management came to an understanding that Thromde's role is just to facilitate and not collection. Since it is a different system, Thromde cannot do the collections.

Action - Finance Division

Agenda 18.12 -Cash Compensation of NPPFs land (Core area - land acquired for Gongdzin Lam)

The Chief of LRSD reported that the road (Gongdzin Lam) in front of the Thromde Office, starting from 8-eleven connecting to Chorten Lam above Lungten Zam BOD junction, belongs to NPPF. Although parking fees are collected by NPPF, they do not impose any charges for the road used by the public. The total land area is 24.2 decimals. As land substitution within the city was found impractical, NPPF has requested Thromde for land compensation. In response, LRSD has explored various options for land acquisition for the public's benefit. The Chief LRSD presented the following options to the Management:



Proposal

1. OPTION 1 : Cash Compensation

Area occupied by Road (sq.ft)	Precinct	PAVA 2017	PAVA 2023	Remarks
11310	Urban Core – Sub precinct II	Nu. 2,740.09 @ Sq.ft	Nu. 5668.91 @ Sq.ft	Considering that the Road Construction was agreed in 2018

Total Compensation as per PAVA 2017: Nu 30,990,418

Total Compensation as per PAVA 2023: Nu. 64,115,372

2. OPTION 2 : Long-term Lease

Area occupied by Road (sq.ft)	Social	Commercial	Average	Remarks
11310	(Nu. 1 @ sq.ft per annum)	(Nu. 20 @ sq.ft per annum)	(Nu. 10 @ sq.ft per annum)	NPPF may continue to collect the parking fees.
	Nu. 11,310 per annum	Nu. 226,200 per annum	Nu. 113,100 per annum	

3. OPTION 3 : TDR (Transfer of Developmental Rights)

Sending district	Receiving District
Precinct: UC Sub precinct II Total Affected area: 11,310 sq.ft Developable area (65%): 7351.15 sq.ft No. of allowable floor: 6 floors Total developable area: 44,109 sq.ft Precinct difference ratio: 0.9145 TDR: 40,339 sq.ft	Assuming that the receiving district is the vacant land of NPPF head office (CORE-044) in core area (UC Sub precinct I) Vacant area: 24,000 sq.ft Developable area (65%): 15,600 sq.ft No of additional floor upon TDR: 2.6 floors

Discussion

The members unanimously agreed that if compensation is necessary, it should be based on the PAVA 2017, considering the situation predates the approval of the new PAVA rate. Considering the long-term lease and the fact that the road is utilized by the public, the lease rate could be determined based on social causes. However, for NPPF, being a commercial area, they will see it as commercial and therefore, the rate could be established on a commercial basis raised some members. The third option, while it is a new concept, might face challenges if the number of floors is to be determined by the precincts. In that case, the transfer of development rights is impractical. Some members advocated for acquiring the land to resolve the case once and for all.

Decision

The Management decided to acquire the whole of land, 24.2 decimals at PAVA rate 2017. The decision is forwarded to Tshogde for endorsement.

Action - LRSD

Agenda 18.13-Recruitment of 1 Survey Engineer on Contract

LRSD has put forward a proposal for the recruitment of a survey engineer. Although there is an approved position for one survey engineer in the staffing pattern, it has remained unfilled due to manpower shortages, even at NLCS. To address this, the suggestion is to recruit the survey engineer on a contractual basis, a recommendation that has even been discussed and endorsed by the HRC.

Decision

The Management approved to recruit one survey engineer on contract for a period of 3 years. Forwarded to Tshogde for endorsement.

Action - LRSD

Agenda 18.14 -Appraisal on submission of issues and challenges pertaining to LG Act 2009

The Executive Secretary informed that the MoIT has directed all Thromdes to sit together and come up with certain issues and confusions with regard to the implementation of LG Act. The issues are required to be submitted to MoIT by end of January 2023 and the Ministry will further take up with relevant agencies.

Decision

The management directed each Division/Section to study the Act and come up with critical issues and challenges pertaining to LG Act or central agencies and submit them to the Legal Division.

Action - All Divisions/Sections and Legal Division

Agenda 18.15 -Piloting bus priority lane project

The Chair informed the members that the implementation of the bus priority lane, which was delayed due to the National elections and few other issues, must now proceed as initially planned. The priority lane is set to commence from Babsa zero point, extending till the Flyover bus stop in Changzamtog. This initiative serves as a pilot project with the primary goal of assessing its potential positive impacts. The Chair emphasized that this is an exclusive undertaking by Thromde, and therefore, Thromde should take the lead. The Executive Secretary also highlighted some concerns raised by the cabinet office regarding the project's implementation, including the need for proper advocacy programs, avoidance of election periods, and a thorough learning process from the pilot project.



Decision

The Management has reached an agreement that the awareness and education program for the bus priority lane pilot project will commence on January 11, 2024, with the actual implementation of the pilot project scheduled to start on January 18, 2024.

Action - Division/Section concerned

Agenda 18.16 -Critical projects within Thomde

The Chair addressed the floor, highlighting the pressing need for immediate attention to certain areas. Specific interventions are required for issues such as sewer outbursts in various locations, connectivity issues and maintenance of footpaths and drains, and other persistent issues. Resolving these few key issues is crucial for making a significant impact on the overall development of Thomde.

Decision

The management directed ID to study these areas and submit all the details of such projects requiring strategic interventions within the City by the end of January to the Management.

Action - ID

Agenda 18.17 -Streamlining the Thomde labor camps

The Chair stated that the Asset Manager has been directed to create an inventory containing details of all permanent units in labor camps, specifying the individuals to whom each unit was assigned. Additionally, there are ongoing construction projects in Motithang and Babesa. The allocation of labor camps will be overseen by the Management he added. The main idea is to prevent the formation of squatter settlements within the city.

Decision

1. Once the labor camps have been completed, the structure must be handed over to Infra Division with lock and key. The Management shall decide who should be put there based on priority.
2. Also decided that those who are not the employees of Thomde but residing in Thomde workforce camps must be given some time to vacate.
3. No further development of temporary structures (except construction labor camps) within the City shall be entertained.

Action – ID and Asset Manager



Agenda 18.18 -ToR for road sweeping

CiED has proposed the Terms of Reference (ToR) for outsourcing cleaning services within Thromde. The Executive Secretary mentioned that although a few parties have expressed interest, none of them have prior working experience or the necessary human resources. The Chair stated that if there is a lack of interest from potential service providers for the cleaning works, Thromde should handle the responsibilities internally, similar to outsourcing. However, if competent organizations express interest later, Thromde will be prepared to proceed with outsourcing.

Decision

1. The Management directed the CiED to identify certain locations in close collaboration with UPD and allot one or two spots to those interested and rest will be taken up departmentally.
2. However, before moving ahead, the Chief UPD, Chief ID, Chief CoED, Chief O&M and Chief LRSD led by Chief CiED to review the ToR once again and submit to the Management by end of January 2024.

Action – CIED and Review Team

Agenda 18.19 - Site development works for the Babesa vegetable wholesale dealers

The Executive Secretary reported that since the vendors have been relocated to the Babesa truck parking area, there has been gradual improvement. However, there are a few site development tasks that need immediate attention, such as ground leveling and the construction of public toilets.

Decision

The Management decided to take up with the Ministry of Agriculture and Livestock to develop required amenities at the identified locations.

Action - CiED/Thrompon

Agenda 18.20 -Arbitration case between Claimant M/s Se7en Children Pvt Ltd and Respondent Thimphu Thromde

The Project Engineer, Mr. Sonam Namgay, presented the report on the Arbitration matter between M/s Se7en Children Pvt Ltd and Thimphu Thromde. The dispute centered around the rejection of the claimant's (Contractor) request for a rate revision for bitumen/asphalt concrete by the respondent (Thimphu Thromde). The Arbitration Tribunal carefully examined the submissions from both the claimant and the respondent and reached a conclusion. It was determined that the respondent (Thimphu Thromde)



is liable to pay a deviated rate claim of Nu 996,425.76 to the claimant. Additionally, the respondent and claimant are directed to bear 75% and 25% respectively, of the total arbitration costs.

Decision

The Management approved to pay Nu 996,425.76 and 75% of arbitration cost from the internal revenue.

Action - Project Engineer and Finance Division

Conclusion

The Chair expressed gratitude to all the members for attending and providing valuable input, which contributed to the formulation of various resolutions.

The 18th Management Meeting adjourned at 5:00PM.

Rapporteur – Karma Dorji, Sr. Planning Officer

Annexures

A handwritten signature in black ink, appearing to be 'K. Dorji', is located in the bottom right corner of the page.

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