

**BY-LAW
FOR
POURASHAVA WATER SUPPLY ORGANIZATION (PWSO)**

**REVISED DRAFT MODEL
including comments
from**

- * Programme Office 18 District Towns Project**
- * Workshop participants 18 DTP Pourashavas (Dec.1993-Feb.1994)**
- * Workshop DPHE top and Royal Netherlands Embassy officials (March 1994)**

April 1994

**REVISED MODEL BY-LAW FOR
...(POURASHAVA) WATER SUPPLY ORGANIZATION**

INTRODUCTION

This by-law is promulgated for efficient supply of water to the public within the Pourashava according to the responsibilities entrusted vide the Pourashava Ordinance 1977, section 73:

- i. A Pourashava shall, within the limits of the funds at its disposal, provide or cause to be provided, to the municipality a supply of whole some water sufficient for public and private purposes.
- ii. A Pourashava may and if is required by the Prescribed Authority shall, in the prescribed manner, frame and execute a water supply scheme for the construction and maintenance of such works for the provision, storage and distribution of water as may be necessary.
- iii. Where a piped water supply is provided, the Pourashava may supply water to private and public premises in such manner and on payment of such charges as the by-laws may provide.

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PART I

PRELIMINARY

1. a. **Title:**
This by-law shall be called the ...(Pourashava) *Water Supply Organization, Management and Operational Procedures* By-law, 1993.
- b. **Coverage:**
This by-law shall be applicable to the whole of Pourashava area.

2. **Definitions:**

Caretaker	A person who is selected by a group of people as the leader and responsible for operation and maintenance of a hand tube well or a street hydrant.
Connection fee	The amount charged for installation of new house connections and reconnection.
Customer	The person or entity of persons who get(s) benefit from the water supply of the WSO in exchange for payment of the cost.
Demand	The total requirement of water for the people living in the Pourashava.
DPHE	Department of Public Health Engineering, Ministry of Local Government, Rural Development and Cooperatives.
Holding	Municipal holding having an identification.
House connection	A water connection installed for getting supplied water to a household from the pipe line of the WSO.
Household	A house or flat where a family lives together with a separate entity.
HTW	Hand tube well.
Installation fee	The amount charged for the installation of hand tube wells and street hydrants.
Leakage	Loss of water through defective parts of the water supply system i.e. through pipes, sluice valves, washouts, street hydrants, fittings and joints, house connection points, etc.
Ministry	Ministry of Local Government, Rural Development and Co-operatives

Owner	The person who is holding the legal possession including the land owner or his heirs, tenant or the representative of the owner.
Penalties	Fines charged for water wastage and any other actions hampering the water supply system.
SDE	Sub Divisional Engineer
Wastage	Produced potable water received by the users of house connections or street hydrants but not utilized for any useful purpose.
Water Charge	The percentage of annual valuation of the holding to be charged by the Pourashava for payment of water cost to the PWSO account.
Water Supply	Means production and distribution of water for people within the pourashava through piped water supply, street hydrants and hand tube wells.
Water Supply Management Committee	The supervising and controlling committee of the Water Supply Organization, representing the authority.
Water Tariff	The price of water per month per unit diameter of pipe
WSO	The Pourashava Water Supply Organization; the organization responsible for water supply within the Pourashava
WSO account	The bank account of the Water Supply Organization which is to be operated exclusively by WSO.
XEN	Executive Engineer .

PART II

WATER SUPPLY ORGANIZATION

CHAPTER I

GENERAL

3. Establishment of the WSO

As soon as may be after the commencement of this by-law, there shall be established a Pourashava Water Supply Organization in accordance with the provisions of this by-law.

4. Pourashava Water Supply Organization

a. Status

The WSO will be a statutory service organization; it shall have an autonomous status, which is expressed in the independent Water Supply Management Committee. The WSO shall be the sole organization for piped water supply in the Pourashava and shall at the same time contribute to the non-piped water supply. It will have a common seal with permanent entity and have the right to acquire, retain, transfer or sale out movable or immovable property in its name. WSO can lodge legal case and it can also be sued as per law.

b. Office

The WSO shall maintain an office separate from the offices of Pourashava administration as well as from any other institution.

c. Objective and tasks

The objective of the WSO is to make and to keep sustainable the water supply in the Pourashava.

To achieve its objective the WSO is charged with the following tasks:

- 1) to supply a sufficiency of water to the consumers in terms of quality, quantity and reliability;
- 2) to base the financial management on the no loss principle, through cost control, proper tariff setting and revenue collection;
- 3) to build up and maintain an organization that functions efficiently, takes care of good operation and maintenance, and contributes to the people's awareness regarding proper water use and payment of the service.

d. **Performance targets**

The insurance of efficient management of the WSO shall be based on the performance targets as given below:

Performance areas		WSO targets
Sufficiency of water	Quantity	100 % of population served on a basis of - 10 persons/house connection - 200 persons/street hydrants - 55 persons/hand tube well
	Quality	WHO standards
	Reliability	24 service hours/day
Finance		No loss 100 % revenue collection

5. **Categories of water use**

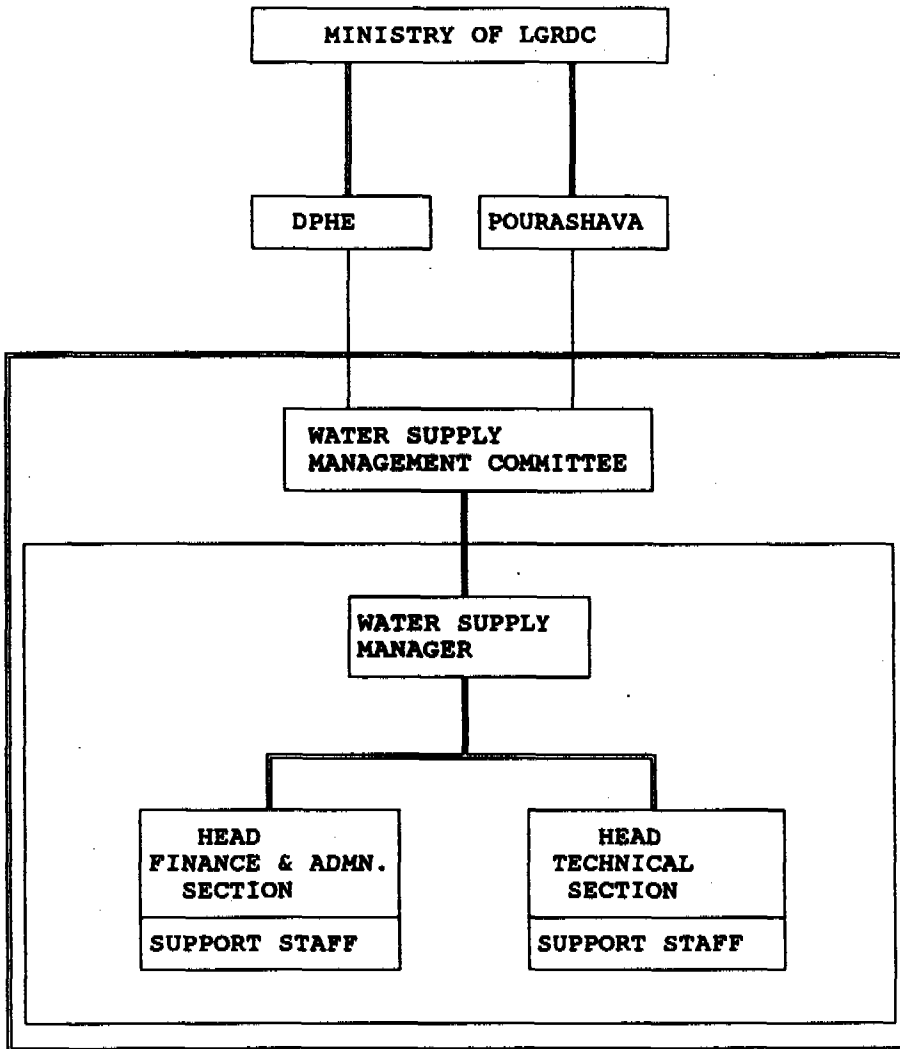
For efficient management of the WSO only three categories of water use shall be distinguished:

- a. **Domestic:** Use of supplied water for domestic purpose through a house connection.
- b. **Commercial:** Use of supplied water:
 - For construction purpose, brick manufacturing, fire hydrants etc.
 - Through temporary connections
 - By shops, establishments, hotels, restaurants, laundries, religious and charitable institutions, hospitals, schools and other organizations and institutions which fall under this category.
- c. **Industrial:** Use of supplied water for industrial processing, manufacturing plants and other industrial purposes.
- d. **Public:** Use of supplied water by the public through taps installed at public places or such other facilities as may be declared and paid for by the Pourashava.

CHAPTER II
ORGANIZATION

6. **Organization Structure**

The PWSS will be reorganized as ...(Pourashava) WSO with the following structure.



————— RELATIONSHIP OF REPRESENTATION
===== DIRECT OR LINE RELATIONSHIP

7. a. **Size of the organization**

The number of employees of the WSO will be depending on:

- the annual turnover
- the number of production wells
- the number of house connections
- the number of street hydrants
- the number and type of water treatment plant(s)
- the number of hand tube wells

b. **Manpower**

The general pattern of manpower may be as given below:

Number of house connections	< 500	500 - 1000	> 1000
Job title	Number of employees		
General			
1. Water Supply Manager	1	1	1
2. Public relations officer	-	-	1
Finance & Administration Section			
3. Head of Section (Asst. Manager)	-	-	1
4. Accountant (Grade I/II)	1	1	1
5. Bill Clerk	1	1-2	2-4
6. Accounts Asst.	1	1-2	2-3
7. Cashier	-	1	1
8. Store Keeper	-	1	1
9. Messenger/lineman	1	2	2-4
10. Security Guard	1	1	2
11. Peon	1	1	1-2
Technical Section			
12. Head of Section (Asst. Manager)	-	1	1
13. Pump Driver	1-3	1-3	1-5
14. Plumber/mechanic	1	2	3
15. Plant operator	1-3	1-3	1-3

- c. The Water Supply Management Committee will have the power to appoint the required number of manpower, consultant or any other staff or agent(s) for efficient management of the organization.

8. Terms of Employment

- a. The Water Supply Management Committee of the WSO will determine the terms and conditions of employment for all or any individual engaged in WSO.
- b. In absence of separate terms and conditions, the existing service rules of the Pourashava shall be applicable to the employees of the WSO.
- c. The standing orders of the Government for employees under the utility services shall be applicable to WSO staff.

9. Performance bonus

The members of the Management Committee and all staff of the WSO shall receive an annual performance bonus, being a percentage of the turn over of the WSO during the past financial year. The bonus is only to be paid in case of a net profit. The percentages of the respective functions are to be determined.

10. Water Supply Management Committee

- a. The Supervision and control of the WSO will be entrusted on a 5 members Water Supply Management Committee, hereinafter called the Management Committee. The composition of the Management Committee will be as below:

Pourashava Chairman	Chairman
XEN or SDE, DPHE	Member
Chairman Local Chamber of Commerce	Member
Head Mistress Local Girls High School	Member
Consumers' representative	Member
Water Supply Manager, WSO	Member Secretary (non-voting)

- b. If there is no elected Chairman then the appointed Administrator shall act as the chairman of the Management Committee. If there is no XEN or SDE, the Superintending Engineer of the concerned Circle shall nominate another DPHE representative.
- c. The Pourashava Council will select one consumers' representative from the candidates as proposed by the Ward Commissioners (1 candidate per Ward Commissioner).
- d. The functioning of the Management Committee shall not be hampered by the absence of one of its members.
- e. The Management Committee shall act as the employer and make policy decisions for the WSO.

- f. During its meetings the Management Committee can only take valid decisions in the presence of not less than three of its members.

11. Responsibilities and Power of the Management Committee

a. Responsibilities

The Management Committee will be responsible for policy decisions for the WSO including planning, implementation and evaluation of the WSO activities, customer relations and development of water supply. The Management Committee shall base its decisions on the performance targets mentioned under section no.4d of this by-law.

b. Power

As policy making body the Management Committee will be in charge of approval of issues such as:

- Annual budget of PWSO
- Water tariff and water charges
- Sources and mode for fund raising including grants, loans, credits.
- Rebate, surcharge, fines etc.
- System extension and new investments
- Selection of the Head of the Finance and Administration Section and the head of the Technical Section from the candidates shortlisted by the Water Supply Manager
- Appointment of all other WSO staff as proposed by the Water Supply Manager
- Disciplinary actions against the PWSO staff
- Annual determination of punishment for defaulters, illegal connection holders and water wasters.
- Collaboration of PWSO with other organizations in the interest of the WSO
- Rules, procedures and regulations for effective operation of the PWSO
- Other proposals of the Water Supply Manager of WSO

c. Meetings

- i. The Management Committee will meet once in every three months at a stipulated date.
- ii. In case of emergency, extraordinary meetings may be called by the chairman on request of any two members, in addition to quarterly meetings when he will notify all the members at least three days ahead of the meeting.
- iii. The meeting will be presided by the Chairman of the Management Committee; in case of his absence, another Pourashava representative shall act as the chairman of the meeting.

- iv. The member secretary will prepare the agenda for the meeting and circulate a copy to each member along with the notice and make the necessary arrangements for the meeting. The decision of each meeting shall be recorded as the minutes of the meeting and must be endorsed in the next meeting. The member secretary will be responsible to prepare the minutes and getting endorsement of all the members on the same.
- v. Decisions shall be made with a majority of votes of the Management Committee. In case the votes are equally divided, the Chairman's vote is decisive.

d. **Malfunctioning**

In case of malfunctioning of the Management Committee or any or more of its members, the Secretary of the Ministry can give directives on how to proceed.

12. **Water Supply Manager**

a. **Appointment**

- i. The Water Supply Manager will be the executive officer of WSO and shall be appointed by the Management Committee.
- ii. In case of a vacancy, the Management Committee shall put an advertisement in national newspapers and select the most appropriate candidate from the applicants. The candidate shall meet the requirements as per job description.

b. **Responsibilities**

The Water Supply Manager is the head of the Water Supply Organization. He shall therefore be responsible for a proper execution of the tasks of the WSO as mentioned in section 4c. He shall be accountable to the Management Committee for all matters related to his responsibility.

c. **Management of WSO**

For proper management of the WSO, the Water Supply Manager shall develop and maintain a Management Information System based on performance indicators. He shall take care that all WSO activities are based on this Management Information System.

d. Power

As the head of the organization the Water Supply Manager shall have the following competencies:

- to make proposals regarding appointment of WSO staff except for the head of the Finance & Administration section and the head of the Technical section.
- to submit a shortlist of three candidates for the position of Head of the Finance and Administration Section and Head of the Technical Section, in case of a vacancy.
- to have direct control over all WSO staff.
- to appoint all casual staff.
- to make expenditures according to strict budget rules with a replenishable petty cash of Tk.3,000.
- to represent the employer.
- all other issues concerning operation and management of the WSO.

CHAPTER III

EXTERNAL RELATIONS

13. Relationship with Pourashava

- a. The Pourashava shall be represented in the Management Committee of the Water Supply Organization ex officio by its Chairman and its Secretary.
- b. The WSO will receive percentage of the valuation of the holding from the Pourashava, only to be used for extension and development.
- c. The WSO will receive the prevailing rate for every street hydrant and every public hand tube well.
- d. Endorsement of the decisions of the Management Committee by the Pourashava Council where necessary as per rules.

14. Relationship with DPHE

- a. DPHE shall be represented in the Management Committee of the Water Supply Organization ex officio by its Executive Engineer (XEN) or its Sub Divisional Engineer (SDE), or a substitute.
- b. Development projects and major rehabilitation works financed by Government or external agencies will be implemented as per Project Proforma.
- c. DPHE will assist WSO for extension and new works if necessary.

CHAPTER IV

FINANCE

15 Capital

a. **Starting capital of WSO**

The balance of assets and liabilities at market value on the day of inception of the WSO shall be considered the starting capital of the WSO.

b. **Fixed assets**

The fixed assets will include production tube wells, treatment plants, pipelines, buildings, furniture, and other equipments and accessories.

c. **Liabilities**

The liabilities will include all debts of the PWSS.

16. Annual Budget

a. WSO will prepare the annual budget for the next financial year and get it approved by the Management Committee before the start of the financial year. The budget will contain the estimates of all expenditures and revenues for the forthcoming year. The expenditures shall not exceed the revenues obtained from the basic sources of income.

b. **Basic sources of income**

The basic sources of income of the WSO are:

- collection of connection fees and tariffs for house connections
- collection of connection fees and tariffs for street hydrants
- collection of contribution money for hand tube wells
- water tax levied by the Pourashava
- other revenues.

c. **Expenditures**

The following expenditures shall understood as expenditures:

- Operation and maintenance of the water supply system
- Operation and maintenance of all other WSO properties
- Salaries and wages
- Depreciation of WSO properties

d. **Cost recovery in the long run**

In the long run, the revenues shall also cover the cost of future development and extension.

17 WSO account

The WSO will have own account(s) in the name of ‘...(Pourashava) Water Supply Organization’ in a scheduled bank. The account(s) shall be operated by the Water Supply Manager together with one other person as nominated by the Management Committee.

18. Books of Accounts

The WSO shall have independent books of accounts. These shall be maintained according to commercial standards.

19. Financial statements

Quarterly and annually financial statements shall be made and submitted to the Management Committee for approval. The financial statements shall be made by the Head of the Finance and Administration Section in cooperation with and under responsibility of the Water Supply Manager.

20. Statutory audit

Statutory audit shall be done for the WSO accounts each year.

PART III
POURASHAVA WATER SUPPLY

CHAPTER I

HOUSE CONNECTIONS

21. Application for new house connections

- a. Within the territory of the Pourashava no person or organization will be allowed to get connection with the WSO water supply system following any other procedures other than stipulated by this by-laws.
- b. Any house or building located within the feasible distance from the distribution line shall be allowed to get the piped water supply provided sufficient pressure is available in the line and the applicant pays the connection fee as applicable.
- d. Application form for new connection shall be available from the office of the WSO which shall be submitted to the WSO with the relevant information by the owner of the household or his representative.
- e. After approval of the application by the WSO the applicant will be required to deposit the connection fee as determined by the WSO for getting the connection.

22. Estimated cost

- a. The estimated cost for the new connection will include the cost of fittings such as Clamp, socket, stop cock, gate valve, float valve for tank, GI pipe, stopcock, labour charge, cost for road cutting and repairing, construction of chamber for valve.
- b. The estimated cost may vary with the distance of the holding from the WSO supply lines and the applicant's requirement.
- c. WSO will provide the standard materials for installation of the new connections.

23. Connection fees

The connection fees are to be based on demand situation of the water and the system capacity to increase the number of connections and the estimated cost for new connection. The connection fee will not necessarily reflect the estimated actual cost as mentioned in section 22.

24. Installation of the connection

- a. All new house connections and reconnections for the water supply shall be done by the WSO or its authorized representatives.
- b. The WSO will ensure installation of the connections within 1 month of approval of the application .
- c. If the applicant for the connection does not get the water supply within 1 month he/she can lodge complaint to the Chairman of the Board in writing who will settle the case immediately.

25. Change in diameter of connections

If any customer desires to install a larger or smaller diameter connection by changing the previous one he/she will be allowed to apply for the same and after approval the connection fee for installation to be deposited as decided by the WSO. The same will apply to changes in alignments of the connection.

26. Monthly water tariff

- a. The monthly water tariff for the piped water supply will be based either on meter readings as tariff per m³ or a tariff for each diameter of connection pipe.
- b. WSO will issue a bill book to each customer for the self billing system mentioning the required tariff and other charges as applicable enabling the customer to make payment directly to the bank in each month.
- c. WSO bill clerk will issue monthly water bills in the prescribed forms to the customers who are not using self billing with due date of payments.
- d. Fines shall be imposed in the monthly bills if the bill is not paid within one month of the due date. The connection will be disconnected if the bill is not paid within 3 months.
- e. The unpaid water tariff will be considered as public demand and PWSO shall take necessary legal actions against the defaulter for realizing the arrear dues under Public Demand Realization Act along with the fines etc.

27. Payment of water bills

- a. The customer must pay the bills issued from the WSO within the stipulated time.
- b. Payment of water bills shall in principle be made in a scheduled bank determined by the WSO; if not possible payments shall be made to the WSO accountant, in cash or through cheques.
- c. In case of faults in the bills the customer can directly lodge complaint to the WSO Water Supply Manager who will arrange to issue corrected bills immediately.
- d. WSO may introduce fines for delayed payments as per decision of the Board in the water bills.

28. Water tax

In case the Pourashava collects a water tax next to the holding tax, the water tax will be deposited to the WSO account.

29. Number of house connections in one holding

- a. The house connection installed in a particular household of the holding can not be extended to other houses within the same holding.
- b. If the owner of a holding desires to extend the supply line to more households within the holding then each household will be considered as having a separate connection and the owner of the holding will have to pay for each connection. The WSO will issue bills based on the total number of connections.

In case of multistoried buildings within a holding the owner of the holding shall be charged for each flat as having a separate house connection.

Each household taking water from the piped water supply shall have to pay a minimum charge of a 0.5 inch diameter pipe.

30. Water meters

Any or all the connections may be fitted with water meters in due courses and in that case all payments to be made on actual readings on the meter.

31. Disconnection of lines

The water supply lines for any type of connection may be disconnected due to the following reasons with 10 days prior notice:

- a. Creating obstruction to the WSO for inspection of service lines, stop cock and other fittings.
- b. Wilful damage of lines, meters, stopcock etc. and wastage of water from any point in the service line.
- c. Fail to make payment of water bills within three months of expiry of the due date.
- d. Offer or extend illegal connections from the house connection to other families within or outside the holding. The Management Committee will decide on the punishment, as mentioned in section 11b.
In case the concerned person is willing to pay a connection fee as well as the monthly tariff, the WSO can abstain from disconnecting.
- e. If the customer applies for disconnection.

32. Temporary disconnection of lines

The water supply lines for any type of connection may be disconnected temporarily in case of repairs to the system. In case the number of days of disconnection exceeds 7 working days, the client does not have to pay the tariff for the same month.

33. Reconnection

- a. Getting reconnection will be the responsibility of the owners. The owner may apply for reconnection of the water supply only after settling the claim or primary reasons for disconnection.
- b. To re-establish the connection the owner must pay the full cost as decided by the WSO.

34. Repair and maintenance of the water supply system

- a. All repair and maintenance of the water supply system shall be carried out by the WSO. As far as the service line is concerned, the customer will pay for the cost.
- b. None except the WSO or its authorized person shall be allowed to undertake any repair or maintenance work in any place of the piped water supply system.
- c. The WSO shall monitor the system regularly in order to discover leakage, damage and breakage of the system. The WSO shall motivate its customers to report defects as soon as possible.
- d. In any circumstances WSO will take necessary action to repair the faults immediately.

CHAPTER II

STREET HYDRANTS

35. Street Hydrants

- a. Installation of street hydrants shall be made if the Pourashava request for it and make payment of usual connection fees.
- b. The monthly water tariff for street hydrants shall be borne by the Pourashava.
- c. Maintenance of street hydrants will be done by the WSO on the basis of recommendations from the Ward Commissioner and of regular WSO monitoring.
- d. For non payment of the bills and continued wastage of water the street hydrants shall be disconnected by the WSO.
- e. For re-connection of the street hydrant the Pourashava must pay the estimated cost and reconnection fees as in other cases.

CHAPTER III

HAND TUBE WELLS

36. Hand Tube Wells

- a. WSO may install hand tube wells as per request of any group of users or the Pourashava only if they pay the full cost. The cost may be covered through contribution from the Pourashava or any other source and the contribution of the beneficiaries.
- b. In case of a user group a care taker should be selected by the group who will be responsible for maintenance of a hand tube well.
- c. To encourage the private sector the WSO shall not take the responsibility of minor maintenance of hand tube wells within Pourashava area. However, re-sinking and de-sandation of hand tube wells may be undertaken by the WSO with contribution from the beneficiaries and other sources of the estimated cost.

PART IV

MISCELLANEOUS

37. Complaint against water supply

- a. Any customer who is dissatisfied with the services or found any defects can lodge complaint against the service to the WSO Water Supply Manager in writing. The WSO will reply or take corrective actions within 15 days of receiving the complaint.
- b. In case of no action from the WSO the complaint can be lodged to the Chairman, Management Committee who will settle the issue within 2 months of receiving the complaint.

38. Right to have access

Subject to the prior notice of 1 day the WSO staff will have the right to:

- a. enter into the premises and make survey of the place
- b. inspect any obstacles, barriers for water supply
- c. clean the bushes, trees, digging earth channels and use of markers for the same in connection of lying, repairing or rehabilitation of pipelines or hand tube wells
- d. ask for assistance from the caretakers

39. Compensation

In case of any loss or damage to any property of the public caused by the execution of works by the WSO, compensation shall be settled as per Pourashava rules.

40. Amendment of this by-law

Amendments of this by-law can be made through the same procedures through which this by-law has been established.