

**SUB:- EXPRESSION OF INTEREST FOR PREPARATION OF FEASIBILITY REPORT OF SKYWALK AT
BHALEYDUNGA IN SOUTH SIKKIM.**

1. Expression of Interest" is invited from reputed and experienced Individuals/Firms/Company having adequate expertise and all necessary infrastructures to undertake the job of providing consultancy for preparation of "Feasibility Report on the Construction of Skywalk at Bhaleydunga in South Sikkim".
2. The Feasibility report shall include the following points:
 - Considerations of the recommendations of the pre-feasibility report already conducted for the project.
 - Technical Studies and Design of the structure with total layout, Key elevations plans and artist rendering look of the facility. The technical studies shall include Geotechnical Investigations, Seismic Surveys, and Wind Velocity Considerations for structural designs for preparation of the Detailed Project Report.
 - Detailed Revenue Modelling and Financial appraisal with Detailed Capital Cost Estimation.
 - Methodology of construction with phasing plan and project implementation strategy.
 - Financial Strategy with delineation of source of external funding for execution of the project on the Public Private Partnership (PPP) mode.
3. The prospective individuals/Firms may submit their "Expression of Interest" along with detailed financial Office of Principal Chief Engineer, Tourism Department, Government of Sikkim, M.G. Marg , Gangtok- 737101, on or before 15/03/2010 during Office hours.

(S.B.S. Bhadauria)
Secretary Tourism,
Government of Sikkim.

Feasibility Study: Tentative Scope of Work

The consultant shall perform the services specified below (“Terms of Reference and Scope of services”) hereinafter referred as “the Services”) in a time period of 8 months:

(i) Technical Studies and Design: Building on the findings of the technical investigations undertaken in the pre-feasibility, further detailed technical investigations would be undertaken in order to develop detailed designs including total layout, key elevation plans and artists rendering of the look of the facility. This would include the following:

(a) Geotechnical investigations: Geotechnical boring to test the rock strata at every 10 meter level, up to the extent of soft rock and establishing level of acceptable structural hard rock. As of now, 4 bores are proposed to be drilled to a depth of approximately depth of 80- 100 meters, requiring approximately 3,000 liters of water per day and 6-8 weeks of time per bore hole .If any additional and chargeable as per clause 4.2.

(b) Other investigations to be carried out on site are:-

- 1) Seismic Refractions Surveys
- 2) MASW (Multichannel analysis of Surface Wave method) Surveys
- 3) Electrical Imaging
- 4) Recording of wind velocity

The output of the technical Investigations will determine:

- The viability of the proposed project from a technical design standpoint, or if site demands necessitate some design modifications.
- The level at which the Skywalk can penetrate Bhalleydunga peak

(ii) Detailed revenue Modeling and Financial Appraisal: This will include the following:

(a) Capital Cost Estimation: Based on the technical design and preferred development scenarios, major Capital costs will be estimated including those for:

- 1) Construction of the skywalk
- 2) Construction of the enabling infrastructure such as connectivity (roads, helipads, cablecar, etc), power, water & sewerage, etc.
- 3) Construction of other revenue generating facilities - tourist residential complexes / resort, Museums, food courts and other attractions.
- 4) Arrive at the above estimations keeping the proposed phase-wise implementation in mind.

(b) Detailed revenue Model:

- 1) Identification of Revenue Streams and their Quantification: This will include potential revenue streams, such as those form land development rights, naming rights, general advertising, licensing, etc.
- 2) Identification of most appropriate development mix in order to maximize such revenues overall.

(c) Comprehensive financial model: A robust financial model to be able to test scenarios, maximise revenues, create a workable capital structure and demonstrate to potential investors the feasibility of the structure and the potential outcomes through, a variety of sensitivities . This will be flexible enough, for example, to reflect likely changes in activity over time including the expected surge in tourist inflows. The financial model will incorporate:

- 1) Capital Cost of the Skywalk and other Facilities
- 2) Identification Revenue streams
- 3) Operational costs of facilities
- 4) Lifecycle costs of the facilities and their expected maintenance costs
- 5) Impact of tax treatment for different elements and investors.

6) Scenarios for options and cost of financing, capital structure, etc.

The financial appraisal of the project will recommend the proposed financial structure and will either confirm feasibility of the project or will highlight necessary conditions for it to become feasible and will also highlight ways in which revenue can be optimized

(iii) Phasing Plan and financing Strategy: Based on the financial appraisal, appropriate phasing plan for tourist facilities other than the skywalk would be planned. Taking into account feedback from potential investors (such as Financial Intermediaries, Development Finance Corporations such as NEDFI, International Funding Agencies, PE funds) and developers, Grant Thornton will devise a financing strategy for implementation of the project. Structuring of the project to utilize any benefits of infrastructure and tourism development schemes of Government of India (such as Large Revenue Generating (LRG) Scheme of Ministry of Tourism or Ministry of Commerce), will also be explored.

(iv) Framework for Communication Campaign: Grant Thornton will devise a framework for a thematic campaign for marketing of the skywalk concept in the post-construction phase. This would, inter alia, involve highlighting uniqueness of the attraction, easy connectivity, law and order etc. The marketing campaign would be focused on determining and tapping appropriate tourist segments across the world.

(v) In case it is felt necessary during the course of the assignment, study tours to Grand Canyon Skywalk at Colorado, USA, may be organized.

(vi) Project Implementation Strategy: This will include the following:

- (a) Recommended Design and Construction Technology: The recommended system for Pre-engineered, pre-constructed units and the location of factory yard for this activity.
- (b) Construction Methodology and Phasing of facilities other than the Skywalk.
- (c) Preferred Project Structure to facilitate financing of the project
- (d) Strategy for engagement of Stakeholders Including tourist trade intermediaries, local businesses and community, government functionaries and civil society at large.

The total time period for the above activities will be 8 (eight) months from the date of signing of the Agreement.