

EXTENSION OF RUSTFONTEIN WTW BLOEM WATER PRIORITY PROJECT

NCOP VISIT

PRESENTED BY: Vaal Central Water

DATE: 11-15 September 2023

Background

- Rustfontein Water Treatment works (RWTW): commissioned in 1998
- Objective to serve the Mangaung Metropolitan Municipality & Mantsopa LM with Treated Bulk water
- The (RWTW) - **Design capacity of 100 ML/day**(Mega liters per day) (MI/day) and it's the second largest WTW in Bloem Water.
- Greater Recon. Study 2012 -Recommendation for Extension of WTW:

The (3) main Water Treatment Works that Supply Mangaung Metro , Kopanong (Reddersburg, Edenburg) Mantsopa LM (Excelsior)

- 1.Welbedacht WTW -145MI/d capacity (Operating at 85% capacity)
- 2.Rustfontein WTW -100 MI/d(operating at 95% Capacity)
- 3.Maselpoort WTW -110MI/d capacity- Mangaung Metropolitan Municipality owned (+/- operating 60-70% capacity)

Background Cont:

- **Projected population growth.** Greater Bloemfontein Recon 2012.
- Water Demand & Consumption in the Municipality- Bucket Eradication Programme
- Impact of High-Water **Loss 40-45%** in Municipalities
- Extension was Planned for 2015 but delayed
- Project Delayed – **Capex Funding Not Secured**
- **Public- Private Partnership (PPP) Model was investigation in 2018 but Not possible due to none payment by WSA.**





RUSTFONTEIN WATER TREATMENT WORKS

	Time	Budget	Scope
ON TRACK			
SLOW PROGRESS			
DELAYED			

Project Description	The extension of Rustfontein WTW from 100ML/day to 150ML/day to increase capacity to supply Mangaung Metro				
Project Sponsor(s)	Department of Water and Sanitation grant Funding				
Project Value	R505 million (estimate 2015 Study)	Funding Gap	R505 million	Funding Instruments	Grant Funding
Budget Phasing	2022/23 R10 million for Feasibility Study	2023/24 *R200 million – Construction Estimate	*2024/25 R300 million Construction Estimate		*The construction Estimate will be confirmed by the Final Feasibility Study and the Final Design Report
Required licenses/Auth orisations/Ex emptions, etc.	<ul style="list-style-type: none">Water Use License in place and Waste Disposal License approved 				

Concept	Pre-Feasibility	Bankable Feasibility	Structuring/Design	Procurement/Contracting	Estimated Construction	DELAY	Adjusted Construction
2012	Completed Designs by JV METADEL, VOX, CSV in May 2015.	To procure the PSP for Feasibility through ISA completion January 2024	Designs completed in 2015 .To review the old 2015 designs (100ML/d to 150ML/d) by 30 June 2024	Phase 1 Planning : PSP for Feasibility Studies –Start : April 2023	Phase 2 : Construction Period is estimated to be planned for 24-36 months, subject to Final approved Feasibility & Reviewed Designs	Phase 1 Planning : Funding required for Feasibility Study & Review of the Designs Phase2.Construction phase not yet started	To be confirmed after the Feasibility Studies & Reviewed Designs
KEY MILESTONES: REPORT SUB							BASELINE
• None							

RUSTFONTEIN WATER TREATMENT WORKS



Unresolved Issues Raised In Previous Meeting

- The conduction of the Feasibility Study , Technical , Economic to review the initial 2015 Designs for the Extension from 100ML to either 150 ML/d in augmentation of water to Mangaung Metropolitan Municipality.
- Project Preparation for bankability & Financial close not completed yet .

What Has Been Achieved To Address Issues Since Last Reporting Cycle?

- Project had been pitched to potential investors in 2020 , through the Presidential Infrastructure Investment Office (PIIO)
- ISA working with Bloem Water for Project Preparation for the Review of the Designs from 100ML/day to 150 ML/day as the designs done where 2015.
- The Scope of Work for Technical Review of 2015 Designs Completed
- The PSP to be appointed by June 2023 by ISA , for the Review of the Design & to prepare for Project bankability & Financial Close.

Key Outstanding Issues (potential risks)

- The entity failing to deliver on its mandate of provision of bulk water supply to its Water Service Authorities and other clients .
- None payment by Water Service Authority impacting on balance for Capital project Funding & borrowing Limit
- The increase in construction cost
- Funding Challenges for Construction Phase 2

ISA comment/Assessment

-
-

Steps to be taken in the next four weeks, including liaison with **RELEVANT** Departments to help unblock issues in their domain:

The Procurement of the PSP by ISA for the Feasibility Study .The objective of the Feasibility study is to identify the preferred option for augmenting the capacity of bulk water supply to the Mangaung Metropolitan Municipality(Botshabelo , Thaba Nchu and Bloemfontein) through the extension of Rustfontein Water Treatment Works from 100ML/d to 150ML/d

THANK YOU!!