



**NATIONAL COUNCIL OF PROVINCES (NCOP) VISIT : BRITS WATER
TREATMENT PLANT UPGRADE AND MORETELE SOUTH SCHEME PROJECTS**

CHIEF EXECUTIVE OFFICER

14th SEPTEMBER 2023

PURPOSE

Brits Progress Report

- Project Overview
- Project Financials
- Project Local Participation and Employment
- Project Progress
- Project Historic delays and interruptions
- Project Schedule

Moretele South Scheme Projects Progress Report

- Recommendations

PURPOSE

- To brief the NCOP about progress on the Brits WTW Upgrade and Moretele South Scheme projects, challenges experienced and the anticipated completion dates.
- To provide recommendations for the consideration by the NCOP.

PROJECT OVERVIEW

UPGRADING OF THE BRITS WATER TREATMENT WORKS

<p>Project Description (R845 million) – revised Project Cost</p> <p>Estimated Completion 30 November 2023 (excluding raw water pipe upgrade and distribution)</p>	<p>Scope: Refurbishment of the Brits Water Treatment Works, upgrade of the plant from a 60 MI/day to an 80 MI/day, upgrading of the process trail to enable the plant to treat deteriorating raw water, upgrading of raw water pump station and pipeline, upgrading of the distribution system up to the bulk water reservoirs.</p> <p>The project is being implemented in phases: Phase 1: Refurbishment of the Brits Water Treatment Works Phase 2: Upgrading of the raw water pump station (mechanical & electrical works) Phase 3: Upgrading of the Brits WTW from a 60 MI/day to an 80 MI/day including process trail. Phase 4: Upgrading of the raw water pipeline and the distribution pipeline to the command reservoirs.</p>
<p>Target Completion</p>	<p>30 November 2023 (Plant upgrade)</p>
<p>Municipality & Locality</p>	<p>Madibeng Local Municipality (Brits CBD, Elandrand, Industrial, Lethabile, Mothutlung, Oukasie, Oskraal, Sonop)</p>
<p>Progress/Status</p>	<ul style="list-style-type: none"> • Phase 1: completed in July 2014, however, due to poor maintenance, some components need refurbishment at an estimated cost of R 28 million (2020 costs). • Phase 2: Completed in November 2020 • Phase 3: Civil works at 95% complete, electrical works at 33% and mechanical works 74%. • Phase 4: Upgrading of the raw water pipeline and the distribution pipeline to the command reservoirs

PROJECT FINANCIALS: RBIG ALLOCATION AND EXPENDITURE

FINANCIAL YEAR PERIOD	BUDGET ALLOCATION	EXPENDITURE
13/14	-	R49.101 million
14/15	-	R41.019 million
15/16	R53,067 million	-
16/17	R187.591 million	R50.235 million
17/18	R50.000 million	R43.989 million
18/19	R80.000 million	R128.000 million
19/20	R80.000 million	R110.000 million
20/21	R120.000 million	R49.170 million
21/22	R155 041 million	R56.170 million
22/23	R107.799 million	R193.951 million
23/24	R200.000 million	R43.166 million

#Note: Budget expenditure above includes some of the expenditure spend on the planning and construction, below is expenditure on the construction costs only.

CONTRACT VALUE (OVERALL)	EXPENDITURE TILL DATE	% UTILIZED
R 845, 000, 000.00 (Revised Project Cost)	R 693, 183, 492.97	82%



LOCAL EMPLOYMENT AND PARTICIPATION

CONTRACTOR	JOBS LOCAL EMPLOYMENT					ONGOING	TOTAL
	MEN		WOMEN				
	ADULT	YOUTH	ADULT	YOUTH			
Civil 1	38	23	28	18	80	107	
Civil 2 (Terminated)	49	67	5	9	0	137	
Civil 3	6	8	2	4	20	20	
Mechanical & Electrical	1	5	2	3	11	11	
TOTAL	88	103	37	34	91	255	

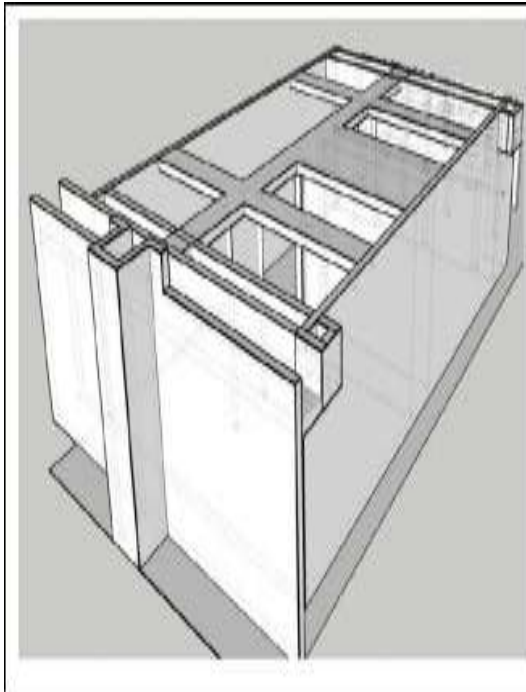
CONTRACTOR	NO. OF APPOINTED LOCAL SUBCONTRACTORS	CURRENT EXPENDITURE TO DATE (LOCAL LABOUR, LOCAL SUBCONTRACTING, LOCAL MATERIAL/EQUIPMENT)
Civil 1	1	R10 730 612,24
Civil 2 (Terminated)	4	R55 494 413,90
Civi 3	4	R14 930 163,00
Mechanical & Electrical	4	R691 447,10
TOTAL	13	R81 846 636,24



PHYSICAL PROGRESS

DAF CHAMBER:

Expected End Product



Current Civil Progress @ 100%



Civil Timelines:

Start date: August 2015

Completion date: December 2021

Comments: Handed over to mechanical contractor on the 18 November 2022.

Mechanical and Electrical Timelines:

Start date: 18 November 2022

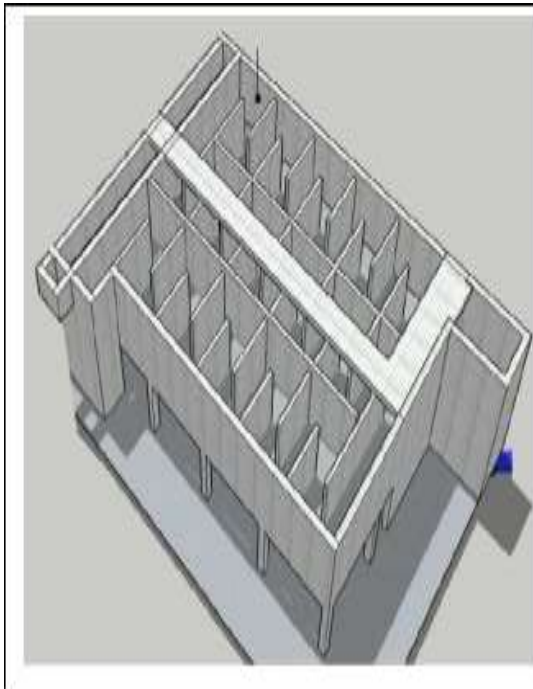
Completion date: 02 October 2023

Comments: Outstanding works is the tie-in of inlet works and remaining pipework installation.

PHYSICAL PROGRESS

FLOCCULATOR CHANNELS:

Expected End Product



Current Civil Progress @ 100%



Civil Timelines:

Start date: August 2015

Completion date: December 2021.

Comments: Complete, only watertightness test outstanding.

PHYSICAL PROGRESS

GAC FILTERS:

Expected End Product



Current Civil Progress @ 100%



Civil Timelines:

Start date: August 2015

Completion date: 27 March 2023.

Comments: Handed over to mechanical contractor on 27 March 2023.

Mechanical and Electrical Timelines:

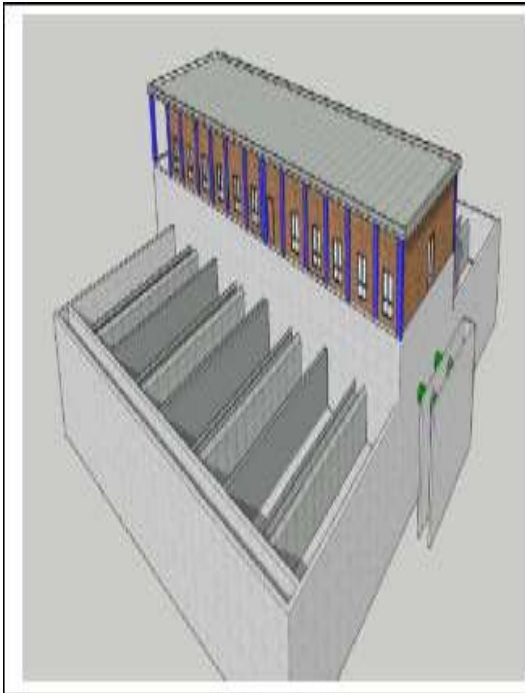
Start date: 27 March 2023

Completion date: 23 October 2023.

PHYSICAL PROGRESS

NEW SAND FILTERS:

Expected End Product



Current Civil Progress @ 72%



Civil Timelines:

Start date: July 2016

Completion date: 04 September 2023

Challenges: Previous civil contractor for the works terminated was terminated and works handed over to another civil contractor.

Mechanical and Electrical Timelines:

Start date: 10 October 2023

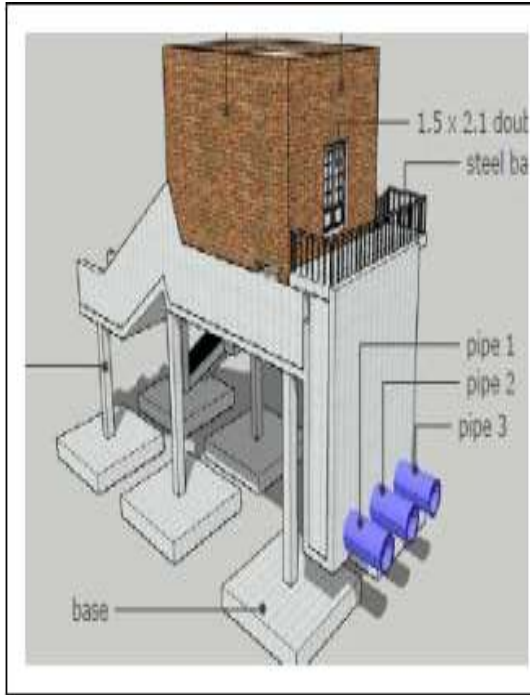
Completion date: 14 November 2023.

Challenges: Awaiting Civil Contractor hand over of the works

PHYSICAL PROGRESS

SCREW PUMPS:

Expected End Product



Current Civil Progress @ 95%



Civil Timelines:

Start date: July 2016

Completion date: 15 July 2023

Challenges: Previous civil contractor for the works terminated.

Comments: Handed over to mechanical contractor on 15 July 2023 with minor civil works outstanding, civil connection to transfer tank.

Mechanical and Electrical Timelines:

Start date: 19 July 2023.

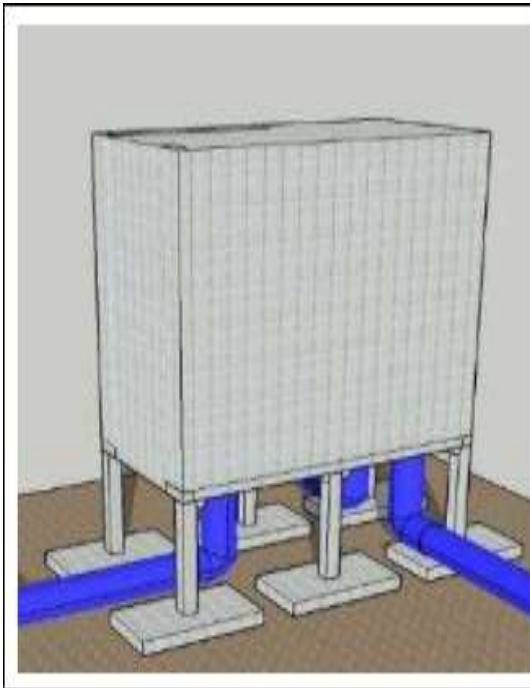
Completion date: 08 October 2023

Comments: Screw pump and motor procured

PHYSICAL PROGRESS

PRE-OXIDATION TANK:

Expected End Product



Current Civil Progress @ 100%



Civil Timelines:

Start date: July 2016

Completion date: 10 February 2023

Challenges: Previous civil contractor for the works terminated.

Comments: Handed over to the mechanical contractor.

Mechanical Timeline:

Start date: 19 May 2023

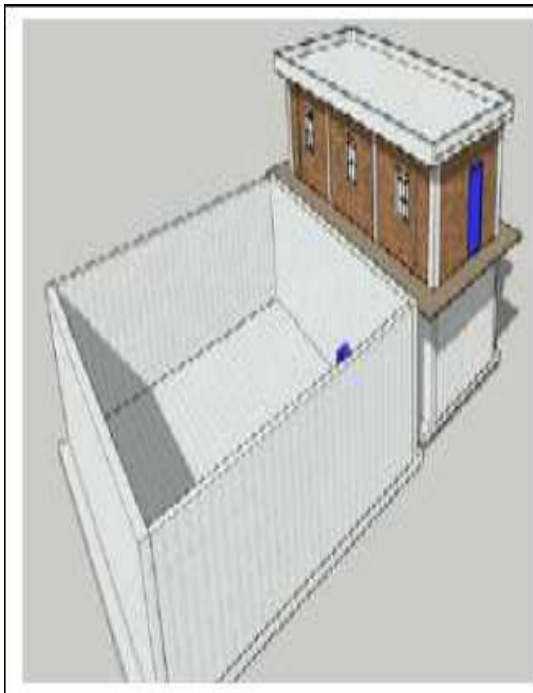
Completion date: 11 October 2023

Comments: Mechanical pipework procured, installation ongoing.

PHYSICAL PROGRESS

SUPERNATANT PUMP STATION :

Expected End Product



Current Civil Progress @ 100%



Civil Timelines:

Start date: 25 August 2015

Completion date: 20 January 2023

Challenges: Contractor for the works terminated replaced by another civil contractor.

Comments: Structure handed over to mechanical/electrical contractors on 24 May 2023.

Mechanical and Electrical Timelines:

Start date: 24 May 2023.

Completion date: 09 October 2023.

PHYSICAL PROGRESS

GUARD HOUSE:

Expected End Product



Current Civil Progress @ 98%



Civil Timelines:

Start date: 25 August 2015

Completion date: 30 August 2023

Challenges: Previous civil contractor for the works terminated.

Comments: Outstanding works is the installation of signage.

SOME HISTORIC PROJECT DELAYS AND INTERRUPTIONS

CONTRACTOR AFFECTED	DESCRIPTION	PERIOD OF SITE CLOSURE
DWS-CU	Delay due to stoppage by PSC community members prematurely demanding employment of 16 additional workers while DWS-CU was busy with the recruitment process.	25 March 2015 to 31 March 2015 (5 days)
DWS-CU	PSC demanded fulfillment of 25% local participation.	25 August 2015 to 22 September 2015 (21 days)
DWS-CU	The main cause of the problem was failure by the Contractor (Department of Water and Sanitation Construction Unit) to appoint local SMMEs to fulfil the 25% local capacity participation goal. Several attempts to address the problem failed, and finally an agreement was reached and an external Contractor - Axton Matrix Construction was appointed in an open Tender to circumvent DWSCU's complex procurement dilemma. The appointment letter was issued on the 25th July 2016 and subsequently, the appointment of the 4 SMMEs was completed on the 18th August 2016. Construction resumed fully from the 5th September 2016, allowing site establishment and induction of the SMMEs on to the works.	05 February 2016 to 5 September 2016 ()
AXTON MATRIX & DWS-CU	Local Subcontractors stopping site work because of non-payment of overdue certificates.	13 February 2017 to 20 February 2017

HISTORIC PROJECT DELAYS AND INTERRUPTIONS

CONTRACTOR AFFECTED	DESCRIPTION	PERIOD OF SITE CLOSURE
AXTON MATRIX & DWS-CU	Suspension of construction works, inability of Axton Matrix to proceed with works in accordance with the contract, due to nonpayment from DWS.	08 January 2018 to 04 April 2018
AXTON MATRIX & DWS-CU	Suspension of construction works, inability of Axton Matrix to proceed with works in accordance with the contract, due to nonpayment from DWS.	05 April 2018 to 08 May 2018
AXTON MATRIX & DWS-CU	Suspension of construction works, inability of Axton Matrix to proceed with works in accordance with the contract, due to nonpayment from DWS.	01 August to 30 November 2018
AXTON MATRIX & DWS-CU	Site disruptions by community members	29 April to 13 September 2019
AXTON MATRIX & DWS-CU	Various delays due to scope change, valve leaks, community unrest, application for approval to National Treasury, etc.	06 February 2020 to 15 October 2020
DWS-CU	Site stoppage due to DWS-CU suspension of site procurement officer.	16 November 2022 to 28 February 2023
ALL CONTRACTORS	Site closure by Department of Labour on the 6 June 2023 due to non-compliance on OHS issues (Construction Work Permit).	06 June 2023 to 14 July 2023
DWS-CU	Site stoppage by DWS-CU employees over UIF issues.	28 August 2023 to 5 September 2023

RECOVERY PLAN TO FAST TRACK PROJECT

- Contractors working additional hours daily to make up on lost time.
- Contractors have sourced additional resources, equipment and machinery to fast track the project and complete within the revised target date.
- Penalties to be imposed to any contractors failing to keep on their committed timelines.

PROJECT SCHEDULE

Schedule Indicators

Project End Date:

Revised Target Completion Date: November 2023

Contractual Dates:

Commencement of contracts

Completion Date/Forecasted Completion

Phase 2: Raw Water Pumpstation – Mechanical & Electrical Contracts

May 2019

November 2020

Phase 3: WTW Civil Contract

August 2015

October 2023

Phase 3: WTW Mechanical Contract

February 2022

November 2023

Phase 3: WTW Electrical Contract

October 2021

November 2023

Phase 4: Raw Water Pipeline – Civil Contract

TBC (Availability of funds)

12 Months Duration

Phase 4: Bulk Distribution Pipeline (Lethlabile) – Civil Contract

TBC (Availability of funds)

12 Months Duration

Brits WTW Refurbishment (Proposed for existing deteriorated plant)

TBC (Availability of funds)

8 Months Duration

Moretele South Scheme Projects Progress Report



DETAILED SPECIFIC PROJECT ON CONSTRUCTION STAGE

Project name	Project scope	Budget	Expenditure to date	Status and project duration	Impact	Progress and challenges
Moretele South 30km Pipeline	Construction of 30km Moretele South steel pipeline from Klipdrift WTW to Moretele Local Municipality far west villages	Total Project Cost: Approximately R450 million 2022/23 allocation: R30 million	PSP FEES: R62 million CONSTRUCTION COSTS: R372 million	Status: Completed Duration: 11 July 2017 to 18 Feb 2022	Benefiting Households: 52914	Progress : Completed
Moretele South 36,2km Far West Pipeline	Construction of 36,2km Moretele Far West steel pipeline at Moretele Local Municipality	Total Project Cost: Approximately R160 million 2022/23 allocation: Approx R30 million	PSP FEES: R13 250 352,35 CONSTRUCTION COSTS: R5 065 015,25	Status: Contractor on site doing clearing and excavation Duration: Completion: November 2024	Benefiting Households: 8214	Progress : • 36,2km Pipeline = 2% complete
Moretele South 25ML/Day Command Reservoir	25ML/day Concrete Reservoir	Total Project Cost: R164 560 522.90 2022/23 allocation: R30 million	PSP FEES: R15 034 737,44 CONSTRUCTION COSTS: R18 011 331,79	Status: The project is at Construction Stage Duration: Completion June 2024	HH benefitting: Population: 41 684 Jobs created: 46	Progress : • 25ML Reservoir = 25% complete

Recommendations for successful completion of the projects

The NCOP to note the historic challenges of the Brits project and the progress made to date including the Moretele South Far West Pipeline and Reservoir Projects; ;

Intervene in assisting to source the funding of the Brits refurbishment of the existing deteriorated plant, estimated cost for refurbishment is R28 million.

Intervene in assisting to source funding for Part 4 of the Brits project which entails the upgrading of the raw water pipeline and the distribution pipeline to the command reservoirs, estimated cost of R300 million.

To note the anticipated completion of the Brits WTW Upgrade Project.

Intervene in assisting to allocate additional funding for Moretele South required for this financial year, as there will be a shortfall of approximately R190m to complete both projects.

THE END



THANK YOU