###### National Assembly

###### Question Number: 3520

**3520. Mr D America (DA) to ask the Minister of Transport:**

(1) With reference to his reply to question 2417 on 31 August 2017, by what date in 2018 will the Bus Rapid Transport (BRT) system become fully operational in the Ekurhuleni Metropolitan Municipality;

(2) whether there was a delay in procuring any BRT infrastructure, if so (a) which company and/or Ekurhuleni official is responsible for the delay, (b) how long is the anticipated delay and (c) by what date will the pedestrian bridges be completed;

(3) (a) which contractors had their contracts terminated and (b) for what reasons;

(4) have any penalties been paid by contractors who have had their contracts terminated; if so, what is the (a) name of each contractor and (b) total amount paid by each contractor;

(5) (a) how many meetings have taken place with the Ekurhuleni taxi industry, (b) what progress has been made, (c) when will the vehicle operating company (name furnished) be established and (d) what is the value of the contract to operate BRT vehicles? NW3947E

**REPLY**

1. According to Question 2417, we reported that the *“BRT system will be partially*

*operational (kerbside) by the end of September (2017), subject to the finalisation of negotiations with affected taxi operators. Full operations (on trunk route) are scheduled to commence when the infrastructure is fully complete in 2018.”*

However, for the system to be fully operational in the City would mean the completion of all its phases, namely Phases 1 – 5. Subsequent phases being Phase 2 to Phase 5 remain unfunded and are subject to an operational plan being approved by the Council and funding approved by the NDOT. Therefore, phase 1 is planned to be fully operational in the year 2020 subject to conclusion of negotiations for final compensation.

(2)

1. There were no delays encountered thus far in the procurement of services. However, delays were mainly encountered at the beginning of construction due to the following, among others:
* Relocation of services that were in the way and not properly indicated by the service owners, e.g. Telkom, Eskom, etc.
* Difficulties with traffic accommodation and management due to the nature of environment where the project is implemented.
* Community uprisings for various service delivery issues.
1. There will be a 10-months delay until the appointment of a replacement contractor.
2. The expected early finish date for the Pedestrian Bridges is 30 June 2018.

(3)

(a)The following contractors who were appointed for the construction of BRT stations, were placed *in mora* and terminated for poor performance.

(i) Mologadi a Nape; and

(ii) Cross Border Developments.

1. The reasons for the termination were due to poor contractor performance.

(4) Yes, terminated contractors have paid penalties.

1. The terminated contractors are:
* Mologadi a Nape; and
* Cross Border Developments
1. The total amount paid by each contractor amounts to:
* Mologadi a Nape: **R896 000.00**
* Cross Border Developments: **R266 000.00**

(5)

1. To date, 104 meetings have taken place between the City and the Taxi Industry. The meetings were held with various structures including the General Industry Technical Forum, KTVR Special Purpose Vehicle, Ekurhuleni Taxi Industry Forum, etc.

 (b) The progress made to date includes the following among others:

* Approval of the Business Plan by Council;
* Entering of Parties into a Bus Lease Agreement (KTVR and City of Ekurhuleni) for 8 buses that were procured by the City ;
* Agreement on a Compensation Model;
* Procurement of Buses;
* Establishment of the ETI Project Office;
* Agreement on Interim Compensation;
* Launch of an interim service between Tembisa and Isando on 18 October 2017.

(c) A Special Purpose Vehicle called KTVR (Katlehong, Tembisa, Vosloorus and Reiger Park) was established in 2016 to render the functions of a permanent Vehicle Operating Company.

(d) The City has not yet concluded a 12 year contract as stipulated in the NLTA due to the stage of the system. Once phase 1 has been completed the City will be able to enter into a 12 year contract with the Vehicle Operating Company.