

CITY OF CAPE TOWN



Integrated Rapid Transit Project

Progress Report No 8 – September 2010



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Project Status & Progress Report

Project Name: Integrated Rapid Transport System: Phase 1A
Directorate: Transport, Roads & Major Projects
Focus Area: IRT Project Development and Implementation
Product: Project Progress Report No 8 for the period July to September 2010.
Prepared By:

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Project Status Report Version Control

Version	Date	Author	Change description
1	19 October 2010	J Martheze	Initial draft compilation
2	23 October 2010	D Bosch / J Martheze	Edits

PROJECT STATUS & PROGRESS REPORT PURPOSE

The Project Status / Monthly Progress Report is a document prepared by MyCITI IRT Project Team for the purpose of recording progress and for the regular project status and progress reporting to various City of Cape Town political and administrative oversight committees, the Department of Transport and Department of Finance, PGWC and other key stakeholder groups and interested parties.

Cover Photograph

Photograph of internal space in a MyCITI trunk service station along the R27 – construction along the Blaauwberg corridor to Table View is nearly complete.

While ever effort has been made to present accurate and current information in this progress report, the City of Cape Town will not be held liable for the consequence of any decisions or actions taken by others who may utilise the information contained herein.

Table of Contents

1.	Executive summary.....	1
	1.1. Introduction	1
	1.2. Business Plan Update	1
	1.3. Process management	1
	1.4. Business development	1
	1.5. MyCITi Operations	2
	1.6. Marketing	3
	1.7. Systems planning and modelling	4
	1.8. Infrastructure	4
	1.9. Establishing the project team	4
	1.10. MyCITi-related 2010 World Cup transport services	4
	1.11. Salient IRT project information: Phase 1A	5
2.	Process management.....	7
	2.1. Project management	7
3.	Finance.....	15
	3.1. Budget, funding and expenditure authority	15
	3.2. Expenditure: Capital and operating	15
4.	Business development.....	24
	4.1. Business contract structure	24
	4.2. Business Plan approval process	24
	4.3. Related statutory public consultation processes	25
	4.4. Engagement with the minibus-taxi and bus industry	26
	4.5. Advertising	27
	4.6. Institutional plan	27
	4.7. Detailed work regarding elements of business development	27
5.	MyCITi Operations.....	30
	5.1. Management of operations	30
6.	Marketing	32
	6.1. Marketing strategy	32
	6.2. Initial implementation of the marketing strategy	36
7.	Systems planning and modelling	40
	7.1. Introduction	40
	7.2. System Structure	40
	7.3. System Plan & Design	42
	7.4. Roll-out sequence	43
	7.5. Interim services	44
	7.6. Phase 2 & beyond	45
8.	Infrastructure.....	47
	8.1. Design progress review	47
	8.2. Design progress	47
	8.3. Land acquisitions and lease agreements	51
	8.4. Construction progress review	51
9.	Establishing the project team: staffing, organogram, office	57
	9.1. Organisational Functional Analyses	57
	9.2. Development of job descriptions	57
	9.3. Filling of vacant posts	57
	9.4. Consultation with Unions	57
	9.5. Interim operational arrangements	58
10.	Communication, marketing and branding	59
	10.1. Introduction	59
	10.2. Media	59
	10.3. Overall Communication	60

10.4. Progress with marketing and branding strategy	61
10.5. Stakeholder Engagement	61
10.6. Events	62
10.7. The Way Forward	62
11. Report on implementation of World Cup public transport services	63
Annexure A Phase 1A trunk directory (as on 7 July 2010)	68
Annexure B Phase 1A feeder directory (as on 7 July 2010)	69
Annexure C Reports to Council, Mayoral Committee and Portfolio Committees	74
Annexure D Contact details of contributing authors	77

1. Executive summary

1.1. Introduction

The intention of this report is to provide regular updates of all aspects of the MyCiTi Integrated Rapid Transit (IRT) Project including updated cost estimates and expenditure, so that there can be effective oversight of the Project and that intervention, where necessary can be made in good time. It is the intention to provide monthly summary reports with a comprehensive report being prepared on a quarterly basis to align with the National Department of Transport reporting requirements. This report addresses the first quarter of the 2010/11 financial year and of necessity the report overlaps partially with Progress Report 7 which covered July and August.

1.2. Business Plan Update

The final draft MyCiTi (IRT) Business Plan has been completed and the revised plan will serve before Council at its meeting scheduled for 27 October 2010. An earlier version of the revised Business Plan was submitted to the July meeting of Council where it was resolved that it be approved for the purpose of;

- Submission to the national Department of Transport and Treasury in support of funding allocations by the Division of Revenue Act No 1 of 2010 (DORA), and for
- Public comment.

The updated Business Plan included a request for an additional R1 909 million of PTISG funding. This includes R 909 million over the 2011/12 and 2012/13 financial years to cover the additional VAT and to be able to complete Phase 1A by the end of the second of these years. It is also required to start planning for further system expansion and includes R1 billion for the 2013/14 financial year therefore.

The relevant reports required for consideration of future allocations in terms of DORA have been submitted to the relevant national Departments by 30 July 2010, as required by the Act and a favourable response is anticipated.

Further, wide ranging comments have been received from interested and affected parties on the MYCiTi Business Plan and these, where appropriate have been used to amend / revise aspects of the final draft plan.

1.3. Process management

Concurrent with the Business Plan review and in response to increased funding allocations as set out in the Division of Revenue Act of 2010 (DORA), the implementation master programme has been revised and is included in this report.

The appointment of a professional project management team in October 2010 to assist the IRT project team with the overall integration, co-ordination and monitoring (time, cost and quality) of all project activities is eagerly awaited as this will lead to improved team effectiveness and performance as well as increasing the probability of completing the project within a reduced timeframe and within budget.

1.4. Business development

Key operational contracts: Progress towards the finalisation of the procurement and awarding of the key operational contracts is as follows:

- Long term contracts in terms of s 33 of the MFMA:

- Fare System and Control Centre contracts: planned to be submitted for consideration of the relevant Portfolio Committees in November and of Council in early December 2010;
- Station Services contract: planned to be submitted for Council consideration and approval in March/April 2011;
- Vehicle Operator contracts: planned to be submitted for Council consideration and approval in April/May/June 2011 (may be affected by the date of the municipal election).
- Bus ownership and transfer contracts: these are planned to be submitted for Council consideration and approval in December 2010 or January 2011.

Engagement with the broader industry: There were extensive engagements with the broader minibus-taxi industry, represented by the Western Cape Provincial Taxi Council, regarding the provision of last-mile home services during the World Cup – a service which benefited thousands of regular minibus-taxi users late at night on event days. A number of additional services were also provided through the relevant contract. The initiative proved highly successful in many ways. The City plans to continue engagement with the broader industry about its role in future MyCiTi operations, although the vehicle operations in Phase 1A are earmarked for directly affected operators (subject to agreement being reached).

Engagement with the directly affecting industry: During the period June to September sessions were held with the Scheduled Bus and Minibus Taxi Steering Committee, representing the directly affected operators in Phase 1A. These sessions largely focussed on the review of the Business Plan. In-depth discussions and negotiations with both Company A and B representatives will restart as soon as the IRT Business Plan is approved by Council.

During the period of this report, further engagements have taken place with the Company B associations who have previously not participated fully. All the affected minibus-taxi associations and bus operator in Company B are now participating in discussions with the City. Regarding Company A, the Devil's Peak Vredehoek Taxi Association also started to participate more actively in engagements with the City.

Institutional plan: In August 2010 Council resolved in terms of section 78(4) of the Municipal Systems Act that, until the municipal entity is established, the City should itself be able to provide MyCiTi-related municipal public transport services through an external mechanism; and where an external mechanism cannot be utilised within the required timeline, the City may as an interim measure provide MyCiTi-related services through an internal mechanism (eg by engaging temporary staff).

Tariffs: A report to Council to revise tariffs regarding interim services (such as the airport service and the proposed Gardens-Central City-Waterfront service) was approved by Council in August 2010 Council, and these approved amended tariffs are summarised in Chapter 4. These tariffs are intended to encourage higher levels of use of MyCiTi services during the interim period during which network connectivity is not ideal, and to help with marketing of the service to users.

Financing plan: A wide range of activities in this regard were engaged in over the three month period of this report: This included the following: (a) National Treasury approved the City's projects for the next two financial years in terms of section 8(4) of the Division of Revenue Act, thereby making the funding allocated to the City during this period firm. This means that the City can now safely contract against such future funding, which is essential to ensure that the City can utilise the allocated funds effectively to implement Phase 1A, and the start of subsequent phases during this period. (b) The City submitted a formal budget proposal for PTISG allocations over the next three financial years. Indications are positive that the funds requested, and possibly additional funds, may be allocated. (c) Initial progress has been made towards establishment of a local business tax / allocation of a proportion of the fuel levy to public transport / transport in general.

1.5. MyCiTi Operations

Current operations include the MyCiTi Airport service and event services contracted as part of the 2010 World Cup contract running until the end of October 2010. This contract will require extension beyond October 2010 until the long-term vehicle operation contracts are concluded to ensure that there is no break in the service.

Approval to extend this service together with introducing a restructured Inner City service was obtained by Mayco in August and by BAC in September 2010. However, a number of measures and approvals need to be in place before such a service can commence, including the relevant operating licenses as well as the signing of a new contract with the operator. Subject to these matters being concluded, it is envisaged that this interim Inner City service would be introduced before the festive season.

Also under consideration is the early introduction of a Bayside service utilising the trunk busways and stations along the R27 between the Civic Centre and Bayside after the construction work has been completed. However, the introduction of this service also affected the operators in Company B and will require an agreement between the two companies to operate this service. It is envisaged that this interim Bayside would be introduced towards the end of February 2011, subject to all the required agreements and approvals being in place.

1.6. Marketing

Implementation of an appropriate marketing strategy for the MyCiTi services is essential for the success of this venture. Chapter 6 provides the outline of the existing marketing strategy as the plan to provide the necessary capacity and resources to put this in place. In this regard a tender brief is under preparation for the procurement of a joint venture comprising of branding, communication and marketing experts to support the IRT project over the next three years. In the interim 3 short term appointments (under R200,000 each) are being pursued to provide (a) full-time marketing assistance, (b) design capacity and (c) administrative and sales support.

A number of immediate marketing initiatives have and are being implemented to promote the MyCiTi Airport-CBD service including the deployment of ambassadors at the airport, and the placement of an info desk in the baggage claim area and at the Cape Town Tourism desk in the arrivals hall. In a joint initiative with ACSA, a proposal to introduce a park and ride service at the airport aimed at private car users stuck in congestion on the N2 in the morning peak to town, is likely to see the ridership on the MyCiTi Airport Shuttle Bus increase significantly.

Marketing material has been developed in preparation for the launch of the interim Inner City service, but until the necessary approvals/agreements are in place, a date for the introduction of the service cannot be fixed and the detailed marketing initiative cannot commence.

1.7. Systems planning and modelling

Contributing to the Business plan update, amendments to the Phase 1A 'system plan' have been considered and a number of improvements made. While still working within the financial constraints the project implementation programme has been amended to accommodate these changes resulted in an adjustment to previously report project milestones. Other changes included a review of the type and number of feeder vehicle requirements to meet the demand characteristics of the system as well as other system (physical and environmental) constraints. Further work has also been done on the interim inner city service routing and the requisite route descriptions have been prepared.

1.8. Infrastructure

The planning, design and implementation (construction) progress of the IRT infrastructure remains largely on track with most of the civil and building works along the route between the CBD and Blaauwberg nearing completion.

1.9. Establishing the project team

In terms of establishing the IRT Project Office both the Director: IRT Operations and Director: IRT Implementation have now been appointed (1 September 2010 and 1 October 2010 respectively) and the processes of filling the subordinate posts is underway. The advertising of these posts will be follow as soon as relevant job descriptions have been finalized and benchmarked. Until such time permanent placements are made the project office will continue to be resourced with staff on administrative secondment from other departments, assisted by consultants.

1.10. MyCiTi-related 2010 World Cup transport services

As part of the 2010 World Cup transport services which were planned to operated over a 49 day period from Saturday 29 May 2010 to Friday 16 July 2010, the MyCiTi buses and Airport, Civic and Stadium Stations where deployed to provide the following services:

- An Airport CBD shuttle service (planned to continue after the 2010 World Cup service period);
- An inner City (CBD) loop service;
- A CBD – Stadium shuttle survive (on match days only).

In addition to providing these MyCiTi World Cup event services the IRT team played a pivotal role in engaging with the minibus-taxi industry in brining about the taxi industry's contribution to providing 2010 World Cup transport services. This engagement and the successful conclusion of a contact with the taxi industry for their World Cup services has resulted in a significantly improved working relationship between the industry and the City. It now remains incumbent on the IRT project team and other City officials to continue to foster this working relationship with the industry.

1.11. Salient IRT project information: Phase 1A¹

The basis of programming Phase 1A is that funds are committed when secured. In this regard it is assumed that National Treasury will make firm allocations for future years.

First IRT construction contract awarded	6 Oct 2008
Projected completion of Phase 1A as currently programmed (<i>subject to PTISG funding being confirmed for 2012/13</i>).	30 Sep 2013
Costs of implementing Phase 1A	
Estimated infrastructure and vehicle costs (<i>incl additional VAT</i>)	R 3 894 million
Estimated transitional, design and implementation operating costs (<i>incl VAT</i>)	R 702 million
Estimated total cost of implementing Phase 1A (<i>excl additional VAT</i>)	R 4 287 million ²
Additional VAT potentially due	R 309 million
Estimated total cost of implementing Phase 1A (<i>incl additional VAT</i>)	R 4 596 million
City's maintenance, management and other recurrent costs ³	R 40 million pa
Estimated Annual Operating Deficit of running Phase 1A as currently modelled (<i>not escalated, excluded above, and excludes planned reallocated bus subsidies</i>) ⁴	R 116 million pa
Expenditure 2008/09 FY	R 248 million
Expenditure 2009/10 FY	R 816 million
Expenditure 2010/11 FY	R 85 million
Total expenditure to date 2008/09 FY and 2009/10 FY on SAP as at 2010-08-10	R 1 149 million
Available assured funding from City and National received to date ⁵	R 1 589 million
Estimated future expenditure for implementing Phase 1A (<i>for the remainder of the 2010/11, 2011/12, 2012/13 and 2013/14 FY's but excluding annual running cost</i>)	R 3 447 million
Total indicative PTIS funding from National in the 2010/11 to 2012/13 financial years	R 3 350 million ⁶
Estimated total project system cost of implementing Phase 1A	R4 596 million

Note on project cost estimates

¹ While every effort is made to ensure that cost estimates are as accurate as possible there are many factors that impact on cost estimates over a lengthy project implementation period of 4 years including technical, legal, financial, taxation and economic factors. This financial information is further explained in Chapter 9 of Version 2 of the *Business Plan for Phase 1A of Cape Town's MyCiti Integrated Rapid Transit system*, submitted to Council in July 2010.

² Various changes were made in the course of the review of the Business Plan, many which had cost implications. However, in most instances cost increases in one area were compensated by decreases elsewhere. However, the apparent fall of R22 million in the total cost of implementation (compared to the total of R4 309 in implementation costs, excluding amount that is attributable to additional VAT) is mainly explained by the fact that the previous total included an amount of R30 million for one year of internal departmental costs. This is now shown separately under recurrent costs, which will be incurred annually.

³ Explained in par 9.4 of the updated Business Plan, amounting to between R30 m and R 39.6m pa.

⁴ This represents midway between the optimistic and pessimistic projections of operating costs as set out in par 9.5 of the updated Business Plan.

⁵ This excludes the R 288 million made available by the City to bridge the gap between the City and National financial years, which was recovered from the National PTI&S Grant after approval by Council in July 2010.

⁶ The total indicative PTI&SG funding refers to the total allocation as published in the Division of Revenue Act of 2010 made to the City of Cape Town for the 2010/11 to 2012/13 financial years for IRT and related transport projects. Completion of this project phase will fall outside the current DORA allocation period and motivations for further allocations was made in terms of the PTI&SG funding framework in August 2010 to address the project's overall funding requirements. Indications are positive that at least the requested funding will be made available. A written response from NDOT is expected by November 2010.

As indicated above, the Project Team has been engaged in a major review of the transport and operating cost modelling of Phase 1A i.e. the estimated cost of running the system once commissioned and taking into account the operating income and operating expenditure. An audit of the modelling has been conducted and the inputs and assumptions closely scrutinised. The review of the transport and cost model will enhance and improve the confidence and accuracy of the estimated operating cost of Phase 1A.

The estimated total project system cost of implementing Phase 1A (reflected above) has remained approximately the same as the previous progress report with the exception that the latest figures now include VAT on all infrastructure dedicated to public transport, which was previously excluded.⁷ The estimated annual operating deficit of running the service is pegged at the mid-point of a possible deficit range.

The Project Team is also reviewing other parts of the project, such as possible re-engineering of the infrastructure and value engineering to ensure that project costs are minimised without compromising project objectives.

Mike Marsden

20 October 2010

Executive Director: Transport Roads and Major Projects

⁷ As previously reported, in the assessment of costs submitted to Council in November 2009 it was assumed that all infrastructure costs were zero rated, and thus that any VAT paid could be reclaimed by the City. We have previously reported that SARS has notified the City earlier in 2010 that it believes that any infrastructure purely used exclusively for the transport of fare paying passengers is to be considered as VAT exempt, which would result in the City not being able to reclaim VAT paid. The amount of VAT reflected here is the difference between the method previously used to calculate the City's VAT obligations compared to one assuming that SARS interpretation is correct. This matter has not been fully settled and engagements with SARS in this regard continue. The final implications of SARS VAT determination still needs to be fully assessed. As indicated above, the City is engaging with both the national Department of Transport and National Treasury in this regard.

2. Process management

2.1. Project management

2.1.1. IRT Operations and IRT Implementation Integration

Following the appointment of the Director: IRT Operations and the Director: IRT Implementation (Development) attention is being given to the internal structures required to ensure the ongoing and seamless integration of the functions of the IRT Operations and Implementation Departments. Similarly, attention is being given to the integration and co-ordination of activities with other City Departments as well as external bodies.

To achieve this project structure is being focus on moving the project team from a co-ordination matrix towards a secdment matrix (PMBOK) structure – i.e. a stronger project management centred structure, leading to greater team effectiveness and performance impact as opposed to a hierarchical functional structure. (See graphic below.)

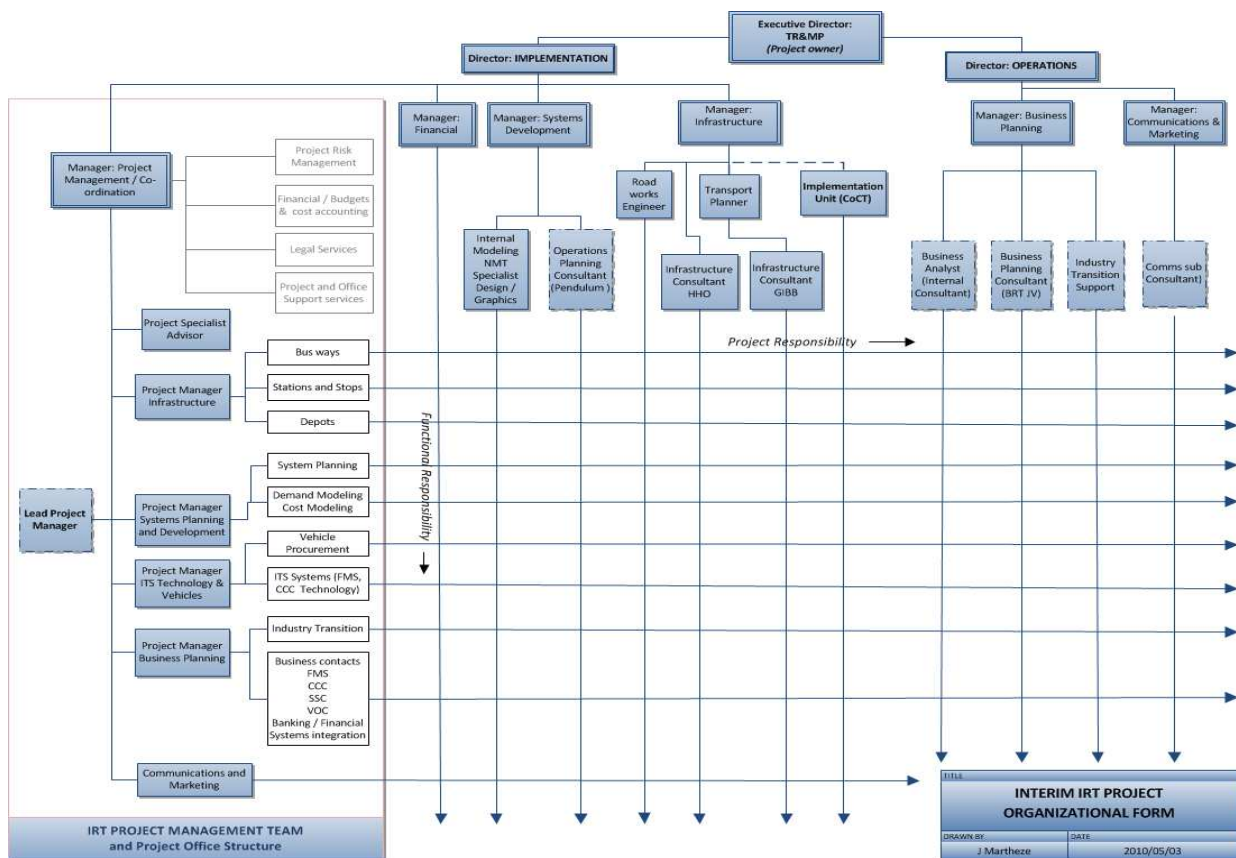


Figure 1 IRT Project Management Structure

2.1.2. Appointment of a Professional Project Management Team

To improve overall project management effectiveness and achieve the benefits of a strong '*project management centred*' driven project, the services a professional project management team is being secured. Bids have been received and evaluated for the for the appointment of a professional project management team to assist with the high level project management functions for the continued rollout of Phase 1A. A report recommending their appointment is to serve before the City's Supply Chain Management (SCM) Bid Adjudication Committee (BAC) on 18 October 2010.

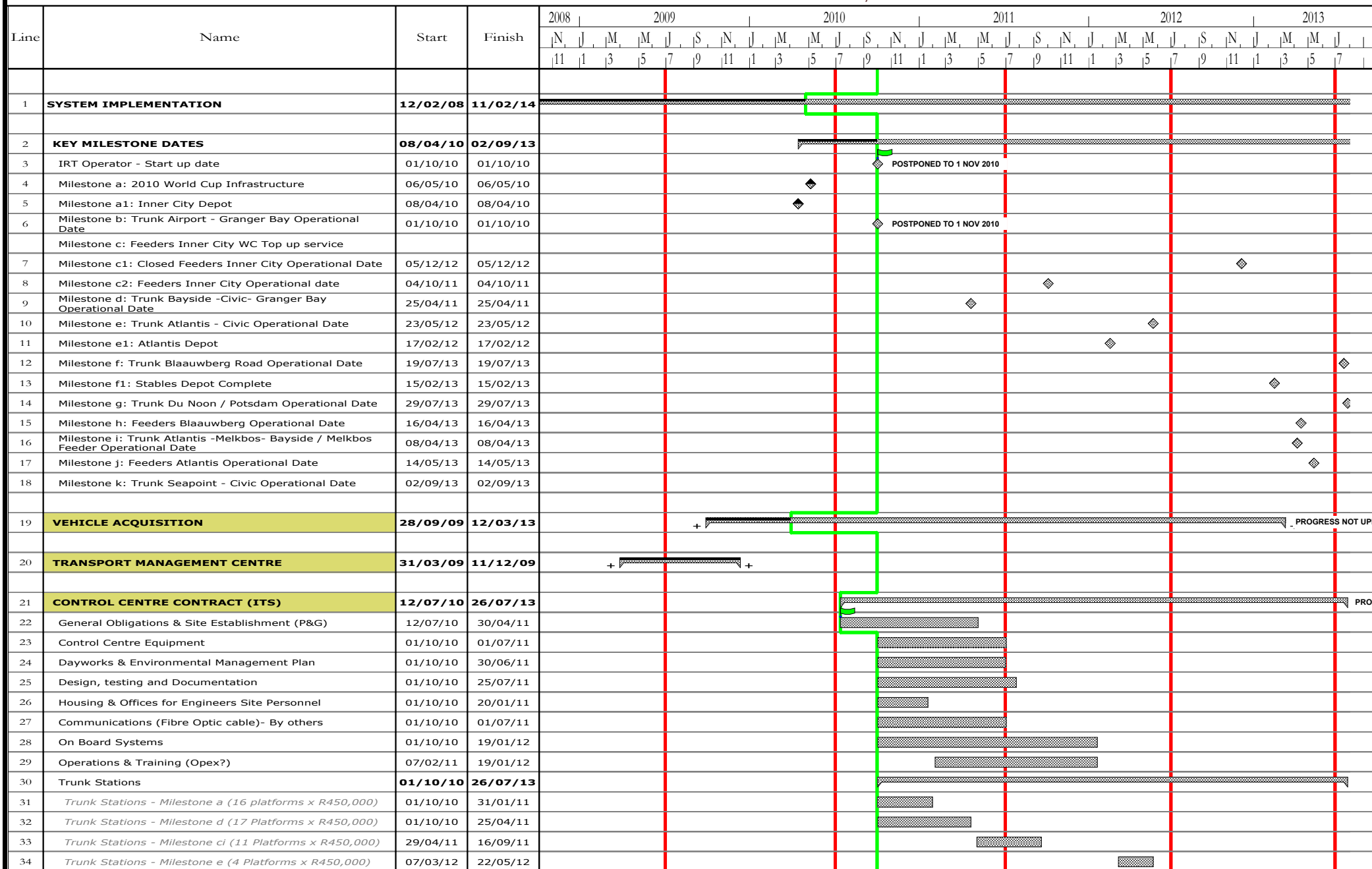
2.1.3. Master project programme (Programme and Monitoring)

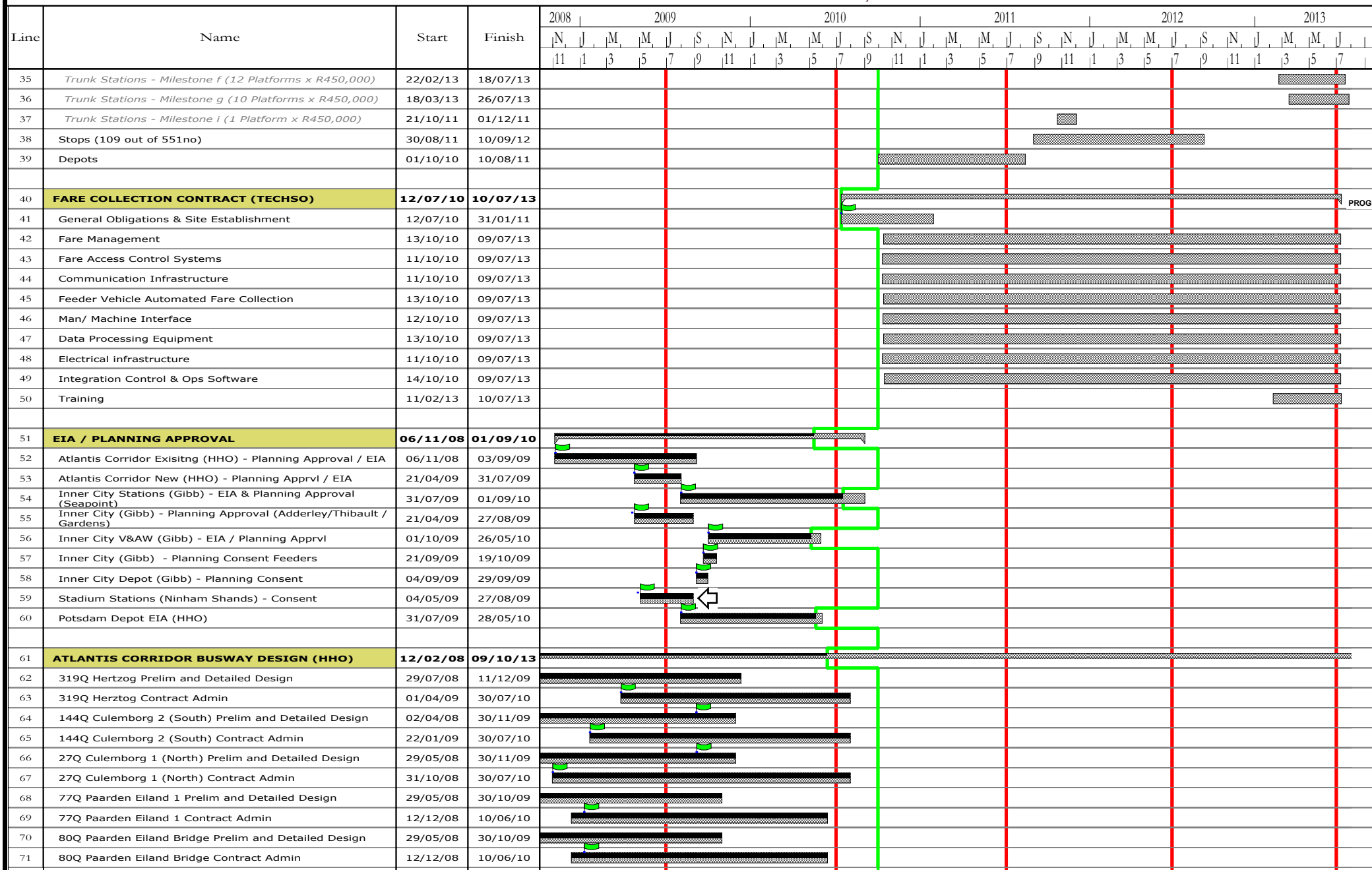
Concurrent with the Business Plan review and in response to increased funding allocations the project master programme has been revised. This update programme together with the progress, measured at the end of September 2010 is presented on the following pages.

30 SEPTEMBER 2010

MASTER Rev AF: Scenario 1 - Amended Summary

PROGRESS UPDATE 30 SEPTEMBER 2010





3. Finance

3.1. Budget, funding and expenditure authority

3.1.1. Operating

The 2010/11 Operating Budget, approved by Council on the 26th of May 2010 included an annual budgetary provision of R 30 m (million) for the establishment and ongoing management of the IRT Project Office. The establishment of an IRT Project Office is now underway, housed primarily on the 15th Floor of the civic Centre, staffing requirements have been determined and filling of posts has commenced and equipment and furniture is being acquired etc.

Budgetary provision for Grant Funded Operating projects, associated with the various streams within the IRT project, has also been included in the 2010/11 Operating Budget. Now that the draft MyCiTi Business Plan has been settled, the Grant Funded Operating projects, within the 2010/11 Operating Budget, has been amended to reflect the information contained in the draft MyCiTi Business Plan.

3.1.2. Capital

As a result of the financial review of Phase 1A, and based on our contractual commitments and future commitments, the capital programme for the implementation of Phase 1A was changed drastically. This also resulted in the City making available bridging finance to ensure that our contractual obligations are met. This was done with the proviso that as soon as National Department of Transport (NDoT) makes further funding available to this project, the loan the City made available to this project, gets repaid first. The city has received an R 550 m (million) tranche from NDoT as part of the DoRA allocation gazetted to the City for 2010/11 municipal financial year. The bridging finance, the City has made available to this project, has subsequently been repaid.

3.2. Expenditure: Capital and operating

3.2.1. Progressive Capital Expenditure Report for 2008/09, 2009/10 & 2010/11

Table 2.1 reflects capital expenditure from all sources (PTI&SG, CRR and EFF) relating to the IRT project. Individual projects are grouped according to their specific category or area.

3.2.2. Expenditure report for grant funded operating projects

Table 2.2 reflects all operating expenditure, funded from grant funding, relating to the IRT project. Individual projects are grouped according to their specific area and relate primarily to the procurement of external service providers except where stated otherwise.

Table 3-1: IRT Capital Projects Expenditure (All funding sources) September 2010

2008/2009, 2009/2010 & 2010/11 (Sep '10) Capital Projects - INTEGRATED RAPID TRANSIT SYSTEM

Category	WBS	Project Description	2008/2009			2009/2010			2010/2011		
			Current Budget	Actual	% Spend	Current Budget	Actual	% Spend	Current Budget	Actual	% Spend
NG DOT PTI&SG	C09.00313-F1	IRT: Integr Rapid Transit Syst(Ph1A):PTIF	-	-	-	-	-	-	59,924,928	380,938	0.6%
NG DOT PTI&SG	C09.00352-F1	IRT:Koeberg BRT Corridor:PTIF	-	-	-	-	-	-	-	-	-
NG DOT PTI&SG	C09.00419-F1	IRT:Granger Bay Blvd:PTIF	10,500,000	10,500,000	100.0%	-	-	-	-	-	-
NG DOT PTI&SG	C09.00487-F1	IRT:Klipfontein Corridor:PTIF	-	-	-	-	-	-	-	-	-
NG DOT PTI&SG	C09.00488-F1	IRT:Public Trsprt&Bus Upgr on Corr:PTIF	20,000,000	19,983,113	99.9%	-	-	-	-	-	-
NG DOT PTI&SG	C09.00489-F1	IRT:IntegratedFareManagement System:PTIF	-	-	-	-	-	-	-	-	-
NG DOT PTI&SG	C09.00497-F1	IRT:PropertyAcquisition:PTIF	57,800,000	57,202,138	99.0%	-	-	-	-	-	-
NG DOT PTI&SG	C09.00498-F1	IRT:VehicleAcquisition:PTIF	-	-	-	76,500,000	63,888,232	83.5%	12,611,769	3,371,054	-
NG DOT PTI&SG	C09.00499-F1	IRT:WestCoastCorridor:PTIF	90,000,000	89,999,969	100.0%	368,405,758	328,560,020	89.2%	29,512,757	0	-
NG DOT PTI&SG	C09.00500-F1	IRT:AirportService:PTIF	2,000,000	2,000,000	100.0%	-	-	-	-	-	-
NG DOT PTI&SG	C09.00501-F1	IRT:PropertyAcquisition:PTIF	-	-	-	-	-	-	-	-	-
NG DOT PTI&SG	C10.00093-F1	IRT: Control Centre:PTIF	-	-	-	-	-	-	57,000,000	-	0.0%
NG DOT PTI&SG	C10.00126-F1	IRT: Depot Infrastructure:Inner City	-	-	-	-	-	-	7,410,000	2,698,325	36.4%
NG DOT PTI&SG	C10.10320-F1	IRT:PropertyAcquisition:PTIF	-	-	-	17,629	17,629	100.0%	-	-	-
NG DOT PTI&SG	C10.10327-F1	IRT:WestCoastCorridor:PTIF	-	-	-	51,941,535	50,633,467	97.5%	140,116,312	77,866,471	55.6%
NG DOT PTI&SG	C10.10350-F1	IRT:InnerCityService:PTIF	-	-	-	10,000,000	9,463,641	94.6%	34,736,360	-	0.0%
NG DOT PTI&SG	C10.10542-F1	IRT:AirportService:PTIF	-	-	-	6,000,000	6,000,000	100.0%	570,000	-	0.0%
NG DOT PTI&SG	C10.10581-F1	IRT:Public Trsprt&Bus Upgr on Corr:	-	-	-	2,000,000	1,677,149	83.9%	4,560,000	-	0.0%
NG DOT PTI&SG	C10.10582-F1	IRT:IntegratedFareManagement System	-	-	-	13,295,117	10,833,656	81.5%	75,894,794	348,124	0.5%
NG DOT PTI&SG	C11.10501-F1	IRT: FeederStations: InnerCity: PTIF	-	-	-	-	-	-	1,140,000	-	0.0%
NG DOT PTI&SG	C11.10504-F1	IRT: Depot Infrastruc: Potsdam Depot: PTIF	-	-	-	-	-	-	2,280,000	-	0.0%

NG DOT PTI&SG	C11.10505-F1	IRT: Depot Infrastruc: Atlantis Depot: PTIF	-	-	-	-	-	2,850,000	-	0.0%	
Total NG DOT PTI&SG			180,300,000	179,685,220	99.7%	528,160,039	471,073,793	89.2%	428,606,920	84,664,913	19.8%
CRR BRT System	C09.00313-F2	IRT: Integr Rapid Transit Syst(Ph1A)	-	-		66,682,409	64,453,192	96.7%	2,229,216	-	0.0%
CRR BRT System	C09.00486-F2	IRT: Traffic Management Centre: CRR	15,000,000	14,998,601	100.0%	-	-		-	-	
CRR BRT System	C09.00497-F2	IRT: Property Acquisition: CRR	-	-		50,177,314	50,177,314	100.0%	-	-	
CRR BRT System	C09.00498-F2	IRT: Vehicle Acquisition: CRR	-	-		25,000,000	23,260,345	93.0%	1,739,655	-	0.0%
CRR BRT System	C09.00499-F2	IRT: West Coast Corridor: CRR	30,000,000	28,861,715	96.2%	111,583,679	111,583,679	100.0%	-	-	
CRR BRT System	C10.00093-F2	IRT: Control Centre: CRR	-	-		25,000,000	25,000,000	100.0%	-	-	
CRR BRT System	C10.10337-F2	IRT: West Coast Corridor: CRR	-	-		-	-		-	-	
CRR BRT System	C10.10579-F1	IRT: Traffic Management Centre: CRR	-	-		45,001,399	41,035,764	91.2%	3,965,635	-	0.0%
CRR BRT System	C10.10582-F2	IRT: Integrated Fare Management System	-	-		7,704,883	5,511,049	71.5%	2,193,833	3,833,901	174.8%
Total CRR BRT System			45,000,000	43,860,316	97.5%	331,149,684	321,021,343	96.9%	10,128,339	3,833,901	-37.9%
EFF	C05.00951-F1	Acquisition of Land	247,529	247,529	100.0%	-	-		-	-	
EFF	C07.00002-F2	R27: Addtl lanes and intersection impr	-	-		-	-		-	-	
EFF	C09.00499-F3	IRT: West Coast Corridor: EFF	-	-		-	-		-	-	
EFF	C10.10112-F1	IRT: Project Office	-	-		4,000,000	1,089,396	27.2%	228,213	87,620	38.4%
Total EFF			247,529	247,529	100.0%	4,000,000	1,089,396	27.2%	228,213	87,620	38.4%
			225,547,529	223,793,065	99.2%	863,309,723	793,184,532	91.9%	438,963,472	80,918,633	18.4%

Table 3-2: Operating Budget: Expenditure to September 2010

2008/2009, 2009/2010 & 2010/11 (Sep '10) Grant Funded Projects - INTEGRATED RAPID TRANSIT SYSTEM

Category	WBS	Project Description	2008/2009			2009/2010			2010/2011		
			Current Budget	Actual	% Spend	Current Budget	Actual	% Spend	Current Budget	Actual	% Spend
NG DOT PTI&SG	G09.00068-F1	Integrated Rapid Tra	16,130,000	1,875,472	11.6%	9,407,519	10,743,484	114.2%	19,136,180	2,695,646	14.1%
NG DOT PTI&SG	G09.00097-F1	IRT:Prov of Prof Ser	3,000,000	1,651,103	55.0%	7,590,323	2,000,000	26.3%	-	-	
NG DOT PTI&SG	G09.00099-F1	IRT:Prov of Prof Ser	27,000,000	10,403,662	38.5%	21,626,893	4,999,121	23.1%	-	-	
NG DOT PTI&SG	G09.00100-F1	IRT:Prov of Prof Ser	6,500,000	6,321,511	97.3%	16,000,000	3,000,000	18.8%	-	-	
NG DOT PTI&SG	G09.00101-F1	IRT:Prov of Prof Ser	4,500,000	1,616,594	35.9%	38,182,500	1,491,694	3.9%	-	-	
NG DOT PTI&SG	G11.00005-F1	IRT: Project Management	-	-		-	-		34,342,498	-	0.0%
NG DOT PTI&SG	G11.00009-F1	IRT: Compensation & Scrapping Allowance	-	-		-	-		10,176,575	-	0.0%
NG DOT PTI&SG	G11.00010-F1	IRT: Property Lease	-	-		-	-		6,378,894	1,584,959	24.8%
NG DOT PTI&SG	G11.00012-F1	IRT: Operating Management Unit	-	-		-	-		51,546,095	-	0.0%
Total NG DOT PTI&SG			57,130,000	21,868,342	38.3%	92,807,235	22,234,299	24.0%	121,580,242	4,280,605	3.5%
			57,130,000	21,868,342	38.3%	92,807,235	22,234,299	24.0%	121,580,242	4,280,605	3.5%

Table 3-3: IRT and Non IRT related Cash flow Requirements - Funding source PTI&SG: (2010/11 to 2013/14 National Financial Years)

National Financial Years	2010/11				2011/12				2012/13				2013/14				Total
	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	
DoRA Allocation (plus interest) plus additional	859,690,000				2,217,216,695				1,191,783,305				1,000,000,000				5,268,690,000
IRT as per existing allocation	736,551,918				1,358,065,000				804,171,307								2,898,788,225
IRT additional request	-				617,216,695				291,783,305				1,000,000,000				1,909,000,000
Accrued Interest 30 June 2010	9,690,000																9,690,000
Non-IRT Transport	113,448,082				241,935,000				95,828,693								451,211,775

3.2.3. Future funding applications (DORA)

As a result of the review of Phase 1A and due to the fact that more information on infrastructure costs, systems planning, operations and business planning is becoming clearer as the project progresses, the capital programme for the implementation of Phase 1A was changed drastically and the 2010/11 to 2012/13 Operating Budget and Capital Budget Programme has been amended to reflect the latest position reflected in DORA as well as the latest stance adopted on the treatment of VAT within the IRT System etc.

The updated Business Plan includes a request for an additional R1 909 million of PTISG funding. This includes R 909 million over the 2011/12 and 2012/13 financial years to cover the additional VAT as explained above, to be able to complete Phase 1A by the end of the second of these years, and to start planning for further system expansion. It also includes R1 billion for the 2013/14 financial year for further system expansion.

The relevant reports required for consideration of future allocations in terms of DORA have been submitted by 30 July 2010, as required by the Act.

Table 2.4 below reflects the possible increases in future allocations from the Department of Transport (DoT) towards the Public Transport for the City as a whole. The information in the table below has been formally gazetted in April 2010. This is an indication of all funding on this particular category of grant and does not imply that all funding is for the IRT project.

Table 3-4: Division of Revenue Act: CoCT Allocations (2010/11 to 2012/13)

R million	2008/09 Actual	2009/10 Actual	2010/11	2011/12	2012/13	Total
Total PTISG allocated to the City	424.84	332.50	850.00	1 600.00	900.00	4 107.34
Total of this allocated to MyCiTi	225.64	282.70	736.55	1 358.07	804.17	3 407.13
Amounts to other projects, incl 2010 WC Transport	199.20	49.80	113.45	241.94	95.83	700.22

The budget proposal, put forward from the City of Cape Town's side for the accelerated completion of phase 1 (A), planning for phase 2 as well as the commencement of the infrastructure for phase 2, have been submitted to the National Department of Transport (NDoT) for consideration. Table 2.3 above reflects the City of Cape Town's propose cashflow requirements for future roll-out.

3.2.4. South African Revenue Services (SARS) stance on VAT

We have previously reported that SARS has indicated the City that any infrastructure purely used for the transport of fare paying passengers is to be considered as VAT exempt. This SARS communication does not constitute a formal VAT ruling, but is an indication as to what SARS' provisional view is as to the interpretation of the relevant law. Until a tax directive on the implementation of the IRT System has been received from SARS, the City has and will continue to adopt a conservative approach by assuming that all expenditure, past present and future, will be subject to VAT and that the City will not be able to claim back any portion thereof. As a result of this approach, the rollout of Phase 1A had to be adjusted accordingly. The City has duly paid over amounts that is considers due and payable (assuming the SARS view is confirmed) and has now received assessments from SARS based on the City's submission and payment, as well as claims for interest and penalties on the amount paid "late". The City has already submitted a request for penalties and interest to be waived. As a result of this approach, the rollout of Phase 1A had to be adjusted accordingly.

3.2.5. Introduction of new tariffs

The City has introduced new tariffs for the airport service as well as for the Interim Inner-City Service that is planned to be introduced before the festive season of 2010. For a summary of these new tariffs, see paragraph 4.7.1.

While it is not common to adjust a tariff after it has been set by the Council, there is no prohibition on adjusting tariffs (*as long as it is not upwards*) or introducing any concessions (which effectively results in a reduction in set tariffs). The legislation is silent on the introduction of tariffs for new services introduced during a financial year. The process is well aligned to an adjustment budget as the necessary adjustments in revenue and or expenditure are required to be reflected at the same time.

Council considered and approved the new tariffs at the Council meeting of 26 August 2010. The legal argument behind introducing these tariffs after the normal budgetary process was researched and is outlined below:

1. In terms of the Constitution (section 229) and reinforced by section 4 of the Municipal Systems Act, a municipality has the right to finance the affairs of the municipality by charging fees for services. In terms of the Municipal Finance Management Act, Act 56 of 2003 (MFMA), the City may not increase municipal taxes and tariffs during a financial year (Section 28(6) of the MFMA and adjusted by the Municipal Fiscal Powers and Functions Act, Act 12 of 2007). While the taxes and tariffs cannot be increased, National Treasury has advised in Circular 48 that taxes and tariffs **can** be decreased/adjusted during the financial year.
2. This provision is aligned to the Municipal adjustments budget process. Section 28 (7) of the MFMA then goes on to state that when an adjustment budget is approved that the municipality must, *inter alia*, submit the budget in printed and electronic format to National Treasury, provincial treasury and any prescribed national or provincial organs of state or other municipalities affected by the budget (section (22 (b))).
3. Any tariffs, fees or charges that are approved are approved in terms of the Municipal Systems Act requirements which states that the fees charges or tariffs are levied by a municipality by resolution passed by the municipal council with a supporting vote of a majority of its members. (Section 75A (2) of the Municipal Systems Act, Act 32 of 2000 (MSA).
4. After such resolution is passed, there are numerous requirements regarding the making public of this information, including conspicuously displaying a copy of the resolution for a period of at least 30 days in the main administrative office of the municipality and at such other places within the municipality to which the public has access as the municipal manager may determine, newspaper publication and any radio broadcasts. The Municipal manager must send a copy of the newspaper notice to the MEC for local government. (Sections 75A (2); (3) and (4) of the MSA.)

3.2.6. Progress on the process for the sale of the buses

One of the components of the Business Plan is the proposed model for title holding and use of the buses in the first round of Phase 1A contracts. While the process is still being reviewed and public comment has been invited as part of the public participation process related to the Business Plan, the legislated processes that may be involved regarding the title holding and use of the buses has been put in place to ensure that future processes are not held back due to the consultation timeframes.

The proposal regarding the buses, that has been put out for comment, involves the following:

- (a) The City has already purchased 43 buses, procured through Supply Chain Management procedures, and proposes to continue to procure buses utilising funding supplied through the national Public Transport Infrastructure and Systems Grant.
- (b) The City will sell the buses to a financial institution, which will then lease them to the designated vehicle operators (VOs) for the period of the VO contract.
- (c) The proceeds of the sale of the buses will be invested in the financial institution.

- (d) The investment and returns earned on it will serve as the source of funds from which the City will pay the VO their service payments, and thus will secure payment to the financial institution leasing the buses to the VO.
- (e) The VO's will in turn pay the financial institution the lease payments, alternatively, the City will pay the financial institution on behalf of the VO.

Public Transport Infrastructure and Systems Grant (PTIG) Monthly Report as per the Division of Revenue Act		
The onus is on the municipality to confirm that the return has been received by NfI		
Municipality	WC000 Cape Town	Financial Year 2010/11 Month End 30/09/10
Financial Accounting for Grant Funds Received and Expended		
		Rand
Received Prior Periods (Since Inception) - See Last Months Form		1,665,342,000
Received This Month		200,000,000
Total PTIG Funds Received		1,865,342,000
Spent Prior Periods (Since Inception) - See Last Months Form		1,295,368,833
Spent This Month		-38,328,541
Total PTIG Funds Spent		1,333,687,474
Total PTIG funds Received and Not Spent		531,654,526
Percentage of Funds Spent		71.50%
Funds Currently Committed but Not Spent		531,654,526
Scheduled Transfers Withheld		0
Conditions: -Authorities had to submit priority Statements by end of July 2007. -Projects related to new or improved infrastructure have to conform to CPWP directives and guidelines. -There should be service level agreement between the transferor and the recipient -Only qualified professionals should be used to execute the projects -BEE guidelines and directives of government should be applied where applicable -Implementing authorities are expected to actively fast-track procurement processes, within the existing legal framework -Progress reports should be submitted to the Department of Transport on a quarterly basis. -Should the reports show unsatisfactory progress, the Department of Transport will provide the city with external capacity, and provide intensive, direct project management and execution, until such time the project is back on track.		
(Print Name Below)		
I, <u>MADDE MAZAZA</u>		The Accounting Officer or Delegate certify that the above information is correct
and that this report has been submitted electronically as required.		
Signed	<u>M Mazaza</u>	Dated <u>7/10/2010</u>
To Save File: press the following keys at the same time with Caps Lock off: Ctrl Shift S Save file as: Mcode_PTIG_copy_Ann.XLS (e.g. ST41_PTIG_2009_M01.xls) Mcode = Municipality Code .copy = Financial Year Code, Mm = M01...M12		

- (f) The City is considering an option to transfer the vehicles which are close to the end of their commercial life to the VO's at the end of the VO contract, to encourage the VO's to maintain the vehicles at a high level, thereby reducing system downtime, especially towards the end of the contract period.

In terms of the local government legislation, the model described triggers two separate and specific public consultation processes to be run.

- (a) Section 14 of the Municipal Finance Management Act (MFMA) as well as the Municipal Asset Transfer Regulations are triggered when considering the City's proposed transfer of ownership of the buses; and
- (b) Sections 46 to 50 of the Municipal Finance Management Act (MFMA) would be triggered when considering the potential guarantee and or security to be provided by the City.

The City has publicly advertised these processes and is seeking comment, by 21 September 2010, on the following legislated aspects:

- (a) whether the buses constitute assets needed by the City to provide the minimum level of basic municipal service, and

- (b) the fair market value of the fleet and the economic and community value which the City will receive in exchange for the fleet.

Following this process, the City Plans to call for an expression of interest from various financial institutions (that meet the MFMA requirements) to attend a briefing session where this proposal will be discussed, affording opportunities for the financial institutions as a collective group to shape the tender specifications of this title holding and use model. It is expected that a formal tender will be issued and evaluated before the end of the year, with the tender awarded to a financial institution in the first quarter of the new calendar year.

3.2.7. Fare management system tender progress

The City has been duly authorised by the City Manager to enter into negotiations with the preferred bidder on the Fare Management System. The tender will only be approved once successful negotiations have been concluded and the section 33 process (in terms of the Municipal Finance Management Act) has been finalised. This legislated process is required whenever a contract imposes financial obligations on a municipality beyond the three years covered in the annual budget for the current financial year.

The contract includes all the banking requirements to implement the new "tap and go" payment device and card launched by ABSA on Wednesday 16 September 2010. *[From Business Report - **Abisa launches 'tap and go' payment device and card** - <http://www.busrep.co.za/index.php?fArticleId=5649996>]*

A Banking Services Agreement between the CoCT and the Tenderer's participating bank must be finalised to the approval of both parties. The City has been working on this matter as there are potential consequences regarding the "Honour All Cards Rule" which must be understood. Any potential financial risks for the City are being managed through interactions between the IRT team and a team of Finance Directorate officials.

4. Business development

This report covers the months of July, August and September 2010.

4.1. Business contract structure

As set out in the Business Plan of October 2010 the business structure of MyCiTi operations consists of a MyCiTi / IRT Operational Management Unit at the strategic centre, which will manage operations through contracts with the following independent service providers:

- a) **The vehicle operator contractors** – It is planned that two such contracts will be negotiated with the directly affected minibus-taxi and bus operators regarding Phase 1A, each running feeder operations in different areas, and with overlapping trunk services, subject to the required procurement processes. Facilitators, business advisors and legal advisors will assist these operators regarding their negotiation with the City. In this regard the operators have been divided into two groups, in line with the division of services described above.
- b) **The fare systems contractor** – to provide all infrastructure needed for the fare system, as well as software for monitoring sales and finances in the system, and maintenance of the system.
- c) **The control centre contractor** – to provide all infrastructure needed to monitor and control the vehicles in real time and to reconfigure services based on passenger demand information, maintenance of the system and to provide such controlling services in the initial period, for handover to the operational team of the system.
- d) **The station services contractor** – to manage all IRT stations, sell tickets at stations and be responsible for related cash handling, provide access control and security, clean stations and its precincts and provide ancillary services.
- e) **Other contracts**, such as advertising and concessions.

Whilst it was initially envisaged that the operational management function would soon be transferred to a municipal entity (ME), subject to the relevant legal steps and Council approval, it is now proposed to only do this transfer when the City has had first hand experience of the risks and costs of operating the system.

4.2. Business Plan approval process

On 19 October 2010 the Mayoral Committee recommended to Council the approval of the Business Plan for Phase 1A of the MyCiTi Rapid Bus system. It is expected that Council will consider the matter on 27 October 2010.

This plan was based upon the Business Plan as approved by Council in July 2010, which was again amended taking into consideration the input received from the public and with the different spheres of government (114 comments were received, comprising 1 100 individual items of comment). A detailed report on all the comments received (on the business plan as well as on the parallel invitations to comment, described in paragraph 4.3, as well as the City's responses to these, have been submitted to the relevant Council bodies.

The Business Plan as well as the comments on the plan were workshopped with the Portfolio Committees of Finance and of Transport Roads and Major Projects in three detailed sessions.

The July 2010 Council approval of the Business Plan was granted for the purposes of submission of the plan to the national Department of Transport and National Treasury for funding purposes; and of public consultation.

The drafting on the above Business Plan was preceded by the following steps:

- On 27 August 2008, the Council approved the implementation of Phase 1A, subject to available funding. At the same time the first Business Plan for this Phase was finalised.
- In late 2009 Council decided to slow down the implementation of Phase 1A to match available funding, and asked for certain elements of the business plan to be reviewed, and for a due diligence exercise regarding the whole project. Since the Business Plan (as it was) was not approved, the focus shifted to deliver transport services for the World Cup. At the same time an adjusted budget for the implementation of Phase 1A was approved.
- In recent months all aspects of the project have been thoroughly reviewed, including a due diligence audit by independent professional experts. The updated business plan incorporates the insights gained from these processes.

In August 2008 Council approved the implementation of Phase 1A of the Cape Town Integrated Rapid Transit system, later referred to as MyCiTi.

4.3. Related statutory public consultation processes

In parallel with publication of the Business Plan for public comment, the City invited public comment on specific aspects of the Business Plan, where specific separate processes of public comment are prescribed in law:

- **Long term contracts:** Regarding proposed contracts spanning more than three municipal financial years in terms of section 33 of the MFMA, namely the vehicle operations, station services, fare system and control centre contracts.
- **The City's vehicle ownership and transfer proposals:**
 - Regarding the proposed transfer of the buses to a financial institution: in terms of section 14 of the MFMA and related Municipal Asset Transfer Regulations.
 - Regarding certain parts of the proposed model of bus title holding and use, which could be interpreted as including a component of long term debt – in terms of sections 46 to 50 of the MFMA.

Running these processes separately can prove confusing to the public. This is exacerbated by the timing of the various comment requirements which must correspond with relevant procurement activities. However, these are legally prescribed processes and are not replaced by the City's invitation for comment on the integrated Business Plan, where all these elements are contextualized and explained making its relevance easier to understand.

Various comments were received, and discussions were held with some of those who commented (see above).

The final approvals of these processes were held over, until Council has considered the final version of the Business Plan. As indicated, a decision in this regard is expected on 27 October 2010.

Finalisation of these processes is expected as follows:

- Long term contracts in terms of s 33 of the MFMA:
 - Fare System and Control Centre contracts: planned to be submitted for Council consideration and approval in early December 2010 – for more details regarding the fare system contract, see paragraph 3.2.7;
 - Station Services contract: planned to be submitted for Council consideration and approval in March/April 2011;
 - Vehicle Operator contracts: planned to be submitted for Council consideration and approval in April/May/June 2011.
- Bus ownership and transfer contracts: these are planned to be submitted for Council consideration and approval in December 2010 or January 2011 – see paragraph 3.2.6 for more details.

4.4. Engagement with the minibus-taxi and bus industry

4.4.1. Engagement with the broader industry

There were extensive engagements with the broader minibus-taxi industry, represented by the Western Cape Provincial Taxi Council for the provision of last-mile home services during the World Cup – a service which benefited thousands of regular minibus-taxi users late at night on event days. A number of additional services were also provided through the contract that resulted. The initiative proved highly successful in many ways, viz.

- (a) It effectively involved as many associations and individual taxi operators across the City as possible
- (b) It brought together the two representative taxi bodies, viz. Santaco Western Cape and NTA
- (c) It facilitated the establishment of a good working relationship between the City and the broader taxi industry
- (d) It resulted in the 4 affected associations previously not participating the IRT discussions and negotiations, coming on board

The City plans to continue engagement with the broader industry about its role in future MyCiti operations, although the vehicle operations in Phase 1A are earmarked for directly affected operators (subject to agreement being reached).

4.4.2. Regarding industry transition related to the IRT

During July to September sessions were held with the Scheduled Bus and Minibus Taxi Steering Committee, representing the directly affected operators in Phase 1A. These sessions largely focussed on the review of the Business Plan, especially the issues impacting on the vehicle operators, viz. the new vehicle ownership model and the compensation model. In-depth discussions and negotiations with both Company A and B representatives will restart as soon as the IRT Business Plan is approved by Council.

During the period of this report, further engagements have taken place with the Company B associations who have previously not participated fully. All the affected minibus-taxi associations and bus operator in Company B are now participating in discussions with the City. After extensive discussion and capacity building on company formation, many of the associations now appear ready to proceed with the formation of companies at an association level before forming the second IRT vehicle operator company.

4.4.3. Detailed work regarding Phase 1A affected industry

Detailed work regarding industry transition included the following:

- Sessions were held with Company A and B regarding the Business Plan.
- A workshop was held on contract implementation timeframes
- Discussions were held on the taxi capacitation strategy
- Meetings have taken place with all associations of the proposed feeder routes for Phase 1A.
- Meetings held with MATA and UTA on permit issues and market share.
- Meetings with Du Noon Taxi Association, which is now participating fully in the discussions with the City.
- Meetings held with association forming Company B on shareholding and company formation, including holding of elections was facilitated for BTA, and UTA to appoint directors for their participation in Company B.
- Meetings were held with Company A associations, including Devils Peak Vredehoek Taxi Association, which is now participating in the process.

4.5. Advertising

After an initial tender and subsequent call for proposals process, the contract for the buses (inside and outside) was awarded to a media owner at a tendered price of R1.55m and the contract for the inside of the three IRT stations to another media owner at a tendered price of R135,000 (excl VAT). All the vehicles were wrapped in advertising in the period up to end July. The uptake of advertising at the stations was slow and only materialised midway through the World Cup period.

The present advertising contracts run out end October 2010. However, since passenger numbers on the only existing MyCiTi service, the shuttle bus between the Airport and the City Centre, are low it is not expected that a significant price can be achieved through open tender at present. Thus it is planned to propose to the Bid Adjudication Committee that the current contracts be extended, and that the tender for the full advertising be published through public tender end February to coincide with the extension of the start of Milestone 0 (the Table View service), when passenger numbers are expected to pick up substantially.

4.6. Institutional plan

As a result of the Section 78 process, Council previously resolved that the provision of public transport services is best provided through an external mechanism. This meant the proposal of establishing a Municipal Entity was supported, but only subject to a Section 84 process being concluded, requiring the submission of an acceptable business plan for the Municipal Entity.

In August 2010 Council resolved in terms of section 78(4) of the Municipal Systems Act that, until the ME is established,

- the City should itself provide MyCiTi-related municipal public transport services through an external mechanism in the form stipulated in s76(b)(v) of MSA i.e. "any other institution, entity or person legally competent to operate a business activity," during the period prior to the possible establishment of the ME; and
- where an external mechanism cannot be utilised within the required timeline, the City may as an interim measure provide MyCiTi-related services through an internal mechanism as provided for in s76 (a) of the MSA, until it is able to provide them through an external mechanism.

4.7. Detailed work regarding elements of business development

4.7.1. Tariff report

A report to Council to revise tariffs was prepared – see paragraph 3.2.5 for a discussion of the legal provisions in this regard. The costs of provision of services were prepared for input to the tariff report.

In August 2010 Council approved amended tariffs. The key tariffs are summarised below.

Airport service: Tickets for children aged four to 11 will cost R25 each – half the standard R50 adult fare. In an option aimed at frequent travellers (especially airport workers), an unlimited number of trips per month will cost R400 (these tickets will not be transferable).

Gardens-CBD-Waterfront service: A standard ticket will be R5 – cheaper than the R8 service on the World Cup inner-city loop. A ticket for one week of unlimited travel on this service will cost R40, while a two-week clip card costing R40 will be valid for 10 trips. In an option aimed at visitors to the city, a ticket giving one day of unlimited travel will cost R15.

Bulk sales and vendors: In an option aimed at hotels, event organisers and other larger users (including interested retail outlets) tickets for the airport and inner city services will be discounted by 20%, when bought in bulk. The tickets bought in bulk will be valid for three months, as are single tickets.

Vendors may now be appointed to sell any of the above tickets, subject to conditions the City may determine. The City will provide tickets to them at a 20% discount.

4.7.2. Refinement of operating cost model

Work done within this period regarding refinement of the operating costs and related contract terms include:

- The revised scheduling for the airport service and the proposed Gardens-CBD-Waterfront services was done. Costs and budget requirements were prepared. The service planning for the Continuation Service and then the Starter Service were updated, and budgets prepared for input to the Mayco report of cost and budget estimates prepared to 30 June 2011.
- Assembled operational parameters for IRT services to June 2011 from system planning team.
- Prepared costs and budgets for IRT continuation services to October 2010
- Prepared costs and budgets for possible extension of IRT services by extension of TransPeninsula, and developed draft addendum for TPI contract extension.
- Planning of service levels for continuation services – Inner City/Bayside
- Cost and budget work for the continuation service
- Addendum work to the World Cup contract
- Updating of the financial model for vehicle operations.
- Work on Station services costs for Bayside stations.
- Developed budget for the City/Bayside services to June 2011
- Analysis of financial implications of shift from 12 m to 9 m buses.

4.7.3. Financing plan

Activities included the following:

- Engagement with National Treasury on Business Plan and process to get section 8(4) approval for funding. S8(4) approval by NT secured.
- Engaged with NDOT for confirmation on use of PTISG for operational subsidies.
- Refined Finance section of Business Plan including request for further finance and operating subsidy requirements
- Bus ownership and transfer to financial institution
 - Report on asset transfer for portfolio committee and Mayco for s33 process
 - Defined requirements for information statements to Asset Transfer and MFMA and draw up statements
 - Initial meetings and engagement with team on development of contracts on bus ownership; first draft of contracts drawn up.
 - Developed bank RFP timetable.
 - Written advice on application of debt and security provisions of MFMA to bus acquisition and transfer structure
 - Further written advice on application of (i) debt and security provisions of MFMA, and (ii) section 33 of MFMA, to bus acquisition and transfer structure
 - First draft of Master Sale, Deposit, Tripartite, Cession and Guarantee and Cession Agreements completed.
- Engagement around and completion of PTISG budget proposal to national DoT/NT – see paragraph 3.2.3.
- Engaged with Cllr Ian Neilson and Mike Richardson, ED of Finance on SALGA proposals regarding Local Business Tax/Fuel levy.

4.7.4. Additional work re business plan and legal advice

- Draft responses completed to Business Plan and s33 inputs. Substantial work in responding to public comments to BP and s33.
- Presentation drawn up and draft reports written for PC's and Council re Business Plan process.
- Develop presentation and present to Cape Town Partnership on progress and plans for the MyCITi system.
- Written advice on section 45 of the NLTA.
- Written advice on implications under section 41 of the NLTA of extension of the World Cup operating contracts.
- Perusing and commenting on draft report to Council regarding section 78(4) decision.
- Letter to Golden Arrow regarding legal issues finalised and sent off.
- Legal advice re sec 33 and 46 public participation processes.
- Draft opinion re public transport planning issues.

5. MyCiTi Operations

5.1. Management of operations

For the World Cup vehicle operator contract the Joint Venture consulting team responsible for 2010 Operations had been extended to offer support with the management of the 2010 vehicle operator contract. Whilst this was a reasonable holding measure, the need to dedicated full time internal resources to this task still need to be secured. In this regard the team has been able to second staff to act as our Transport Controller. In addition, 12 contract workers are now also assisting with the administration, marketing and promotion of the MyCiTi services. Whilst provision is made on the IRT organizational structure for this, the immediate short term needs will continue to be provided by staff with other responsibilities.

5.1.1. Phase 1A vehicle operations

As has been reported previously, the City is engaging with directly affected public transport operators whose services are proposed to be replaced by Phase 1A MyCiTi services, with the intention to conclude two Vehicle Operation contracts for such services in the initial Phase – provided a agreement can be reached with their representatives within a reasonable period.

After a fairly successful World Cup where the broader taxi industry was engaged to provide various services from the Fanfest and Public Viewing Areas, the focus has now shifted back to engagement with Company A and Company B representatives about the implementation of IRT Phase 1A.

One of the positive outcomes of the World Cup period was the decision by Du Noon (DTA), Ysterplaat (YTA) and Maitland (MATA) Taxi Associations to now participate as affected associations in the IRT engagement process. Several meetings and workshops were held with these associations to catch up with the information and issues discussed with the other associations who have been part of the process over the past 20 months.

Meetings have also been held with all the affected taxi associations and bus companies before the Business Plan was submitted to Council. Some of the key changes contained in the business plan different to what was contained in the Prospectus document (which summarised the proposed contract with vehicle operations) included the following:

- a) The Vehicle ownership model – from an earlier proposal by the City that vehicles be transferred to the Vehicle Operators (VO) at not cost, to the vehicles being sold to a bank and then leased to the VO.
- b) The compensation model – now dealing with the issue of roll-out over a 3 year period. The model now provides for all definite period operating licences to be regarded as 5 year instead of 3 year license for the purpose of calculating compensation. Also, once the compensation is determined before the negotiated contracts are concluded, the compensation figures are to remain firm irrespective of when compensation is paid over the 3 year period.
- c) The performance guarantee – from requiring the full guarantee amount to be in place at the beginning of the contract, to the guarantee required in increments to match the roll-out.

The aim is now to ensure that both Company A and Company B are formed before the negotiation on the 12 year contracts commence. In this regard good progress has been made in Company B with the establishment of association-based companies as a precursor to the formation of Company B which is anticipated to be formed by November 2010. The IRT Team is in the process of drafting a Request for Proposals (RFP) which will form the basis for future negotiations.

5.1.2. Interim vehicle operation services

As indicated above, the MyCiTi Airport service is continuing, and the existing contract requires to be extended in this regard beyond October 2010, until the long-term vehicle operation contracts are concluded.

The Airport Bus Shuttle service is currently provided using three 12m vehicles running on a 20 minute schedule. The ridership is low, although showing a steady increase from average of 100 passengers to 140 passengers per day over the past 2 months.

In August Mayco approved the introduction of a restructured Inner City service. A number of measures and approvals need to be in place before such a service can commence. Subject to obtaining all these approvals, it is envisaged that such an Inner City Service would commence in time for the festive season.

Also under consideration is the early introduction of a Bayside service utilising the trunk busways and stations along the R27 between the Civic Centre and Bayside after the construction work has been completed. However, the introduction of this service also affected the operators in Company B and will require an agreement between the two companies to operate this service. It is envisaged that this interim Bayside would be introduced towards the end of February 2011, subject to all the required agreements and approvals being in place.

6. Marketing

See also paragraph 10.4.

6.1. Marketing strategy

6.1.1. The nature of the service

The first MyCiTi service for Cape Town began operations on 29 May 2010. The draft schedule of services provided for the first bus to depart from the Civic Centre at 04:00. Thereafter buses left every 15 minutes until 21:30. On match days the service increased to every five minutes at peak times. Following the World Cup period, a new service notice was issued to the operator stipulating a service offering every 20 minutes.

This Chapter proposes some approaches to the marketing of this service.

6.1.2. Challenges

In developing a marketing plan for the service, it is important to outline some of the challenges that the service faces and which might impact on a successful marketing campaign. These include:

- Uncertainty about how different parts of the MyCiTi system will operate in the short and medium term. For example, it was not certain whether the Airport service will continue uninterrupted for the rest of 2010 (when the current operator contract expires at the end of October), and what kind of feeder service it will connect with. This means there is considerable risk attached to plans for an advertising campaign, which would need to have a large budget, and put out a strong, consistent message. Such a campaign would need to be based on a clear understanding of what the system will offer several months in advance, as adverts in publications, such as in-flight magazines, need to be placed well in advance of their appearance, and some have a long shelf life.
- The Airport service comprises a point-to-point trunk service that is not currently serviced by any feeders, although it is envisaged that a single feeder service will come on stream before the festive season servicing the inner city. This means that the majority of users will have to make use of an additional mode of transport to supplement the Airport Service in order to access the Airport or their final destination.
- The Airport service competes with a number of established operators and the Airport route is currently well serviced by private shuttle service operators and metered taxis. For the service to succeed, it must successfully compete with these other market players
- The large parking garages at Cape Town International make it easy and convenient for private car owners to park their vehicles there, rather than using another mode to reach the Airport. Convenience is an important factor in the transport decisions made by airport users, with business travellers in particular looking for time saving and convenience measures, even if these come at a premium.
- The lack of integration with feeders and other transport providers at the Civic Centre station may make it difficult for some potential users to make use of the service, although it is envisaged that over time the following steps will be taken to improve integration: better drop-and-go facilities, improved signage to promote integration with rail and other public transport services; and improved parking for car users, who would then connect with the Airport Shuttle.
- The Airport Shuttle at R50 is cost effective for one passenger who is able to access the Civic Centre Station with ease or is able to connect to their final destination from Civic Centre station with ease. It is

not cost competitive for groups who are able to split a metered taxi fare between them, or for those who would have to take a metered taxi some distance to reach their final destination. For example, to catch a metered taxi from the Civic Centre Station to Observatory is R70, added to the R50 fee to catch the bus that makes R130, with a round trip priced at R260 – considerably more than it costs to park a car at Cape Town International for a day (R50/ 24 hours for shaded parking and R100/24 hours for multi-story parking).

- To effectively capture market share the Airport Service needs to provide a value added service to users that is cost competitive and convenient to use. The value proposition of MyCiti is also about comfort and reliability and it is imperative that users can have confidence in the system and know that it will get them to the Airport on time. Accurate schedules and timetables, which are strictly adhered to will build this confidence. Changes to scheduling that are not well communicated will undermine this value proposition.

6.1.3. Target audiences

While the current trunk service offering to the Airport does have some inherent limitations ahead of the roll out a full service, there are potential user groups that we need to target and inform about the service, and who are already starting to make use of it. It is anticipated that the service will be better used during the traditional summer tourist season and that usage will increase as integration with other modes improves and the service offering deepens through additional feeders and possible new trunk stops. Our communication should tell users that this is the first part of a growing service that will offer more and more to its users.

Unlike traditional public transport, the target group for an airport service is not a constant group of commuters, but is a much larger target group of occasional users, who may use the service from time to time when they need to access the airport. To reach all of these potential users will require a sustained effort and to ensure that many of them become repeat users of the service there will have to be demonstrated improvements to the service offering over time.

The following target groups have been identified: Tourists; Back packers; Hotels and B&Bs in CBD; Travel agents; Big businesses located in the CBD; Parliamentarians; Public servants; Inner-city residents; Airport workers.

6.1.4. Interim marketing options

(a) Improving signage and visibility at the airport

The Airport Station, while well located, is not as visible as it could be. It is recommended that the outside of the building is wrapped in marketing material, and essentially acts as a billboard for the service, that is clearly visible from the terminal building.

In the medium and longer term, the provision of professional uniforms for the operator staff, as a means of building the brand identity, will also contribute to building the image and visibility of the service. In the short term, consideration should be given to branded sweaters advertising the service and its price.

Ongoing engagement with ACSA should also be undertaken to improve ACSA signage in the terminal building, include reference to the service on the ACSA website and negotiating favourable terms for buying advertising space in the terminal building. Temporary signage and pop-up banners used during the World Cup should be reintroduced at the airport.

b) Using the buses as billboards to advertise the system

It has been suggested that a number of buses are wrapped in MyCiti advertising, which advertises the service in a bold and effective manner and will act as a moving (and cost effective) billboard for the service.

c) Using new media

The role of the website (www.capetown.gov.za/myciti) has now changed, as will the user profile of the site, as it will increasingly be a communication tool for an operational service.

There is a growing trend for users of public transport to get scheduling and other information online, with the added advantage that online media is usually the most accurate source of information as it can be changed on a virtually real-time basis. These services are also increasingly demanded on a mobile (cellphone) platform. At present the site is not geared to perform these functions, and this needs to be taken up with Corporate Communication with a view to discussing the requirement for a new and branded site and the resourcing issues that will flow from this. With the Internet probably the primary source of information for travellers, google ads and other advertising sources should also be explored as a way of alerting out-of-town travellers to the service and its benefits.

There has also been some debate about whether the best location of web-based information is a sub page on the City's busy website, in the context of an operational service. There is also currently no direct link from the City's home page to the service.

d) Marketing the service directly

The inner city has been the focal area for marketing the service with more than 50 000 pamphlets and 3 000 posters distributed over the World Cup period to a large number of outlets, businesses and hotels. However, the information contained in these outputs is now redundant, underlining the difficulty of marketing a short-term service offering.

It is recommended that we continue to target this critical sector and that a new pamphlet with the new airport schedule is urgently produced and distributed. A print run of 250 000 is suggested, for door-to-door distribution and on cars.

This should be accompanied by face-to-face marketing, which is time and resource intensive, but effective. This entails talking and engaging with potential user groups through MyCiTi ambassadors. This approach was very successfully used in the marketing of the Rea Vaya system, and it is proposed that we pilot this with the launch of the inner city starter service/ Gardens – Waterfront route.

Banner advertisements targeting the Capetowner and other inner city 'knock and drops' should also be considered as these reach residents of the inner city and local businesses.

These targeted marketing campaigns should be repeated from time to time, particularly as the Airport Service will be used from time to time by a range of users, and they will need to be reminded of it. In addition to an initial campaign, the service should be re-advertised ahead of the summer tourist season, and communicated to airlines and travel agents via trade media.

e) Working with partner organisations

Strong partnerships will be critical to the success of the MyCiTi system and a number of stakeholder and partner organisations have emerged that will play an important role in the success of the first trunk and feeder services. These include:

- The Cape Town Partnership
- Cape Town Tourism
- Acsa
- Prasa
- CTICC

It is proposed that more regular stakeholder engagement takes place in order to ensure that the insights of stakeholder groups inform the ongoing development of the system and that marketing synergies can be developed (for example, joint campaigns that will be cost effective and share resources, while information about the service can be carried in partner organisation newsletters and e-mail bulletins.)

f) Promotional offers

Many potential customers who are used to private transport need be encouraged to experiment with public transport. Promotional offers offering free or discounted tickets are an important option for attracting new users into the system. The 'Free Friday' promotion run to market the MyCiTi Inner-City Bus during the 2010 Soccer World Cup attracted large numbers of people who would otherwise not have experienced the service, and as a result became enthusiastic supporters. Variations on this promotion could be introduced for the Airport Service, for example offering free trips on the outgoing buses, which are currently under-patronised relative to the inbound buses.

Large organisations such as the CTICC might be encouraged to purchase bulk quantities of tickets at a much lower price for bundling with their conference packages.

Promotional tie-ups with various airlines could be considered, such as discounts for loyalty programme members.

Weekly or monthly passes could also be developed for workers at the airport.

The design of tariff policies should be sufficiently flexible to accommodate a range of marketing strategies and should also aim for user convenience.

6.1.5. Above-the-line advertising

Given the aforementioned risks associated with running large advertising campaigns while the details of the system's rollout are not completely certain, there are options which will need to be considered in the future.

a) Radio and print advertising

These will target local audiences, over a very limited time period, and should thus not constitute the thrust of a campaign. Travel magazines are also an important option to explore, and weekend newspaper travel supplements which are largely aimed at domestic travellers. In-flight publications, particularly those servicing domestic low-cost airlines, such as Mango, 1 time and Kulula, should be used for advertising, press releases and inserts.

b) Web advertising

This can target more affluent audiences, locally, nationally and internationally. Travel and tourism websites can be targeted in particular, although it may be worth setting up pay-per-click advertising across the Internet.

c) Billboards and other outdoor media

Billboards, particularly in the airport precinct, will target regular airport travellers, and may deliver a better return, due to their longevity and targeted visibility, than advertising in traditional print media. Within airport precincts, including those airports in other major South African cities, use of poster sites and cost-effective back-of-door in bathrooms, should be considered.

6.1.6. Behaviour change

The MyCiTi system calls for its users to change the way they view public transport and to use it in ways that may be unfamiliar and require some users to step out of their comfort zones. For example:

- Middle-class Capetonians 'naturally' gravitate towards private motor vehicles. Car use has become so ubiquitous that many of us no longer walk to the corner shop. The MyCiTi system requires that people use their own two feet, or hop on a bike, more than they have been used to. The success of the Fan Mile during the World Cup, and the extent to which Cape Town's inner city became a pedestrian hub in

this period, points the way, and needs to be built on. The City's leadership have an opportunity to build on and talk about this positive experience, which brought the city to life in unexpected ways. Changing attitudes and behaviour about walking will be important for the success of Civic Centre Station, which is best accessed on foot at present. Car-free Days in the inner city (Sundays and public holidays) making use of the Fan Mile have the potential to shift attitudes, and also bring people into the Inner City. It is proposed that this is explored with the Cape Town Partnership and becomes a feature of the upcoming summer holiday season. Associating MyCITi with these kinds of the outdoor events and experiences could be a powerful marketing force. The City could also start with its own employees and politicians, reviewing internal policies to encourage the use of the system and the first trunk.

- Other elements of the system will also require behaviour change and it is important to bear in mind that this will take some time to effect, as other social marketing campaigns aimed at changing accepted behaviour have found.

6.1.7. Way forward

The MyCITi system is an overwhelmingly positive development that represents many exciting marketing opportunities for the City and the IRT team. Critical success factors include:

- The ability to communicate to the public with certainty about the services that we will offer and when they will be available;
- Recognition of the strategic role that marketing and communication play in successful public transport services;
- Appropriate budgets and resourcing;
- Ongoing and integrated dialogue across the multi-functional MyCITi team so that marketing strategy is not expected to emerge in a silo;
- The need to develop short, medium and long term marketing plans and strategies that are integrated with the system/operational plan; and
- Strong partnerships with key stakeholders.

6.2. Initial implementation of the marketing strategy

The tabulation below, detailing the current and planned marketing initiatives, provides an overview of the progress of the marketing programme. These initiatives are being done in the short to medium term whilst a comprehensive strategy and implementation plan is being developed concurrently for the overall marketing of the MyCITi service. Strategic marketing expertise as well as operational marketing capability required to give effect to the strategy and implementation plan will be added through service providers while the Department IRT: Operations is being staffed. Briefs for service providers have been prepared and these will be sourced through the supply chain management processes. The briefs follow:

1. To provide services for longer term strategic marketing through a joint venture or any other entity. This will be above R200,000 and would have to go through a tender process, which realistically will be in place early next year to allow for the supply chain processes.
2. To provide shorter term marketing capacity. This will be below R200,000. Supply chain management processes are thus shorter with the date for appointment within one month from now.
3. To provide design capability. As in 2 above, this procurement will be below R200,000.
4. To provide administrative support. As in 3 above, this procurement will be below R200,000

This will assist in speeding up the processes in the short and medium term and ensure a good marketing campaign in the longer term.

Strategic partnerships with Cape Town Tourism, ACSA and other stakeholders have been forged to enhance the impact of the marketing initiatives. These partnerships will assist with marketing the service at locations outside of Cape Town as well.

Description	Detail	Done √ / under way
At Airport: Current		
MyCITi Desk now inside the baggage area, right inside the airport terminal.	<p>"Ambassadors" will be at the desk from 4.20am – 9.20pm to market the service.</p> <p>Each of these "ambassadors" have had security clearances and are eligible to assist passengers and market inside the airport.</p> <p>Desk branded</p> <p>Pamphlets at desk</p> <p>Desk delivered, 13th October 2010-10-13</p> <p>"Ambassadors have "branded bibs" for easy identification.</p> <p>Next step is to improve the attire of the "ambassadors". This is in process through City marketing personnel.</p>	<p>√ Done</p> <p>Training of ambassadors is continuing</p>
Airport terminal area next exits.	<p>In principle agreement with Cape Town Tourism to have MyCITi branded banners at the desk. Branding designed, approved on the 19th October. Should be ready for installation by the 22nd October 2010.</p> <p>Agreed that Cape Town Tourism staff will be advised of the MyCITi product offering to advise potential customers.</p> <p>Pamphlets placed with Cape Town Tourism.</p> <p>This partnering arrangement with Cape Town Tourism struck on Monday, 11th October 2010.</p> <p>Pamphlets to be delivered on the 20th October 2010.</p> <p>Banners, redesigned and ordered.</p> <p>Note: CTT / MyCITi meeting between Directors scheduled for the 20th October 2010 at 12.30pm</p>	<p>Agreement in principle reached. √ Done</p> <p>In progress</p> <p>Done</p> <p>Done</p> <p>Done</p>
Updated pamphlet with timetable	<p>Current pamphlet updated with correct fares, discounts and schedules. Handed out at Airport.</p>	<p>√ Done</p>
Pamphlet for Bulk sales	<p>Specifically targeted for bulk sales. Being designed.</p>	<p>In progress</p>
At the Airport: Planned		
Advertising on walls of airport, on the MyCITi station, etc	<p>John Lloyd authorised to engage ACSA on the best advertising deal for the City to utilise unused space. MyCiti team has visited the site at the airport. Next step is to prepare the package for consideration / approval.</p> <p>The benefit is a single package deal for the City, with consistent messaging, consistent branding and coordinated impact and spread at the airport.</p>	<p>Sites have been identified. Proposal needs to be considered.</p>
Adverts on the MyCITi	<p>Signage on the plaza: signage to be placed on the station wall: "Airport to</p>	<p>Awaiting quote and site visit date from</p>

Description	Detail	Done ✓ / under way
station	City – R50” – BIG Must be in keeping with the “brand”	sign writer.
Permanent desk / counter at the Airport.	Following the stationing of a desk inside the baggage area of the airport, a permanent desk is being negotiated as part of the package of advertising opportunities being proposed by John Lloyd’s approach to ACSA.	In process
Audio sound bites	Agreed to by ACSA. Contact made with ACSA (Lebohang Motasi) on 18 th October 2010 to finalise the advertising of the service using the ACSA sound system. This will be used to compliment the visual MyCiTi advertising in the terminal.	In process.
Signage at ticket box	Current window is secure but too dark. Signage to be placed above the ticket office.	Procurement process to start.
Electronic marketing	<p>Website is being revamped. Spilt into info required for using MyCiti (routes, prices, where, when) and general IRT info for easy and quick searching. Search engines optimised.</p> <p>Purpose, to get travellers to use the service, particularly to catch those out of Cape Town as well and whilst planning the journey.</p> <p>Already on the Home Page of the City of Cape Town website.</p> <p>To be completed on Friday for approval. Go live on the 27th October 2010.</p> <p>NEXT: linked to ACSA. Mtg next week to finalise link. (Discussion already taken place, Martin Pollack advised to follow up.</p> <p>NEXT: linked to Cape Town Tourism – to be negotiated.</p> <p>ONCE THIS PLATFORM IS CORRECTLY ESTABLISHED IT CAN BE USED FOR A HOST OF THINGS INCLUDING ONLINE TICKET SALES IN THE FUTURE.</p>	<p>Martin Pollack briefed</p> <p>✓ Done</p> <p>·</p> <p>Done</p> <p>In process. First viewing was, 12th October 2010. Comments given to Martin Pollack re: focus on Marketing</p>
Planned	All PC desktops in the City to carry the MyCiTi brand. Planned for the last week of Transport month. Design in process.	In process. Agreement reached.
	Myciti.mobi site. Quotations received. Investigating procurement processes, maintenance agreements, IT policy etc	In process
Marketing support through media		
Media alerts	Through ACSA media in the terminal Statements and newsflashes sent to press, radio and television	✓ Done and ongoing
Social media	Frequent postings on Twitter and Facebook forums	✓ Done and ongoing
Marketing presentations to stakeholders		
Presentations on MyCiTi by key city officials, breakfasts, tours,	Industry sectors to be invited to these events to market and on-market the service. Service providers briefed. Awaiting dates. First group will be travel agents.	In process

Description	Detail	Done ✓ / under way
	Planned: not just in CT. The Cape Town Tourism partnership will be leveraged for value- add.	
Presentations above to be supported by actual contact with establishments	Will include face to face contact	In planning
Advertising		
Advertisements in in-flight magazines	To be actioned and approved.	Costs obtained, draft designed
Advertisements in community newspapers	To be actioned and approved	In process
Free-ride strategy marketing	Approved in principle. To be well thought through to get as much impact. HwB to provide the proposal which was workshopped on the 15 th October 2010.	To be announced soon

Upcoming inner-city service (Planning – awaiting launch date)

PRE-PLANNING MEETING SET FOR 22nd OCTOBER 2010

Measure	Description	Status
Pamphlet with map	To be widely distributed at venues on route, at stations, etc	Draft complete
Advertisements	For community newspapers	In discussion
Banners in production	For poles at bus stops on route	In production
Map (with detail)	For bus stations and wider distribution	In production
Radio alerts, press statements	Wide distribution	To be finalised
Ambassadors to promote the service	Once the launch date is set, ambassadors will be trained / informed and market the service.	To be finalised

7. Systems planning and modelling

Note: This work stream was previously referred to as "operational planning".

7.1. Introduction

The system plan is a detailed description of the structure, design, coverage and roll out of the system, and associated transport demand modelling, which projects passenger demand and utilisation of the system, once in operation. This is an input to determine fleet and system operational requirements, as well as infrastructure design, system cost modelling, business structure and contracts and industry transition.

The system plan is dealt with in detail in Chapter 4 of the IRT Business Plan dated October 2010. The purpose of this chapter is report on progress towards the finalisation of the full IRT system plan. This chapter must be read in tandem with the business plan and will only give progress, amendments and areas of review on the following elements:

- System Structure
- System Plan & Design
- IRT Roll-out sequence
- IRT Interim services
- Phase 2 & beyond planning

7.2. System Structure

7.2.1. Trunk & Feeder services

Amendments since progress report 7	No Change
Areas for future review	Investigate extending trunks into feeder domain areas using the left sided door on the trunk vehicle. This will supplement and <u>not replace feeders</u> . This will help reduce feeder fleet size and improve customer convenience. Preliminary investigation (in Atlantis) has indicated no additional trunk vehicle units will be required while reducing the feeder fleet size.

7.2.2. Fleet types & characteristics

<p>Amendments since progress report 7</p>	<p>Review of feeder fleet size (from 12m to 9m on selected routes)</p> <p>In the review of Phase 1a, a critical criterion was to reduce the operational cost in an attempt to minimise the resultant cost deficit. Accordingly the use of 12m feeder fleet vehicles was pursued in an attempt to reduce the frequency of fleet required which has a direct impact on driver and other staff requirements.</p> <p>However due to: 1. Lessons learnt from the use of the current 12m fleet during the 2010 WC event within the inner city, 2. Inner city infrastructure constraints and 3. Residential 'fit' reasons, it is now concluded that the 12m feeder vehicle is inappropriate for the inner city and selected residential feeder services. Although this has a direct impact on the operational cost, mitigating measures will be put in place to avoid increasing the operational deficit. Mitigating measures will include the following: Reduction of off-peak headways and hours of operations and detail analysis of fleet journey times. Journey times have direct impact on fleet size.</p>
<p>Areas for future review</p>	<p>Investigate CD style boarding bridge on the feeder busses. This will positively impact infrastructure cost as it will avoid raising feeder stops to the appropriate bus floor level.</p>

7.2.3. Types of transfer

<p>Amendments since progress report 7</p>	<p>No Change</p>
<p>Areas for future review</p>	<p>In principle, city design does not encourage time-delay transfers between trunk-feeder and feeder-feeder transfers but rather uses closed stations to accommodate these transfers safely and efficiently. However, due to physical constraints there are two locations within phase 1a that will require the time delay transfer mechanism, namely Bayside Trunk-Feeder station and the future Adderley/ Thibault Street trunk-feeder transfer area. City needs to work alongside the NDOT to address concerns and issues with time-delay transfers.</p>

7.2.4. Fare structure

Amendments since progress report 7	No Change
Areas for future review	<p>To ensure that the proposed IRT fares are comparable with current road based public transport fares, the city is investigating the following additional mechanisms:</p> <ul style="list-style-type: none"> • Transport fare products <p>These products generally provide discounts for regular usage (such as weekly and monthly concessions). The city is investigating its fare system design and management capabilities to minimise unacceptable gaming.</p> • Off-peak travel incentives <p>The city is investigating further and more significant reduction in off-peak fares. This generally complements and supports customers that travel further distances and are forced to leave early (before the peak hour) to reach their work place accordingly. The challenge (which the city is currently investigating) is the return trip home which normally coincides with the evening peak hour.</p> <p>These incentives will not only benefit the customer but will also attempt to spread the demand across the peak period which will have significant operational and capital benefits. Since the system (vehicles and frequency) is designed and sized based on the peak hour, any reduction of demand towards the outer hours will reduce the supply and therefore reduce costs.</p> <p>The fare system and policy will be reviewed regularly, taking into account lessons learnt from the initial interim MyCITI services and customer responses.</p>

7.3. System Plan & Design

There has been no change since Progress report 8. The Phase 1A route directory and plans for trunk and feeder routes are attached as Annexure A and Annexure B.

Clarity on immediate subsequent phases

The original Phase 1B involved good but expensive linkages (through trunk services) to Montague Gardens, Century City and along Koeberg Road. In the review of Phase 1A, the city assessed elements of Phase 1B that could be accelerated through lower cost infrastructure investments but achieving close to the original benefits. These lower cost solutions are described in detail in the Business Plan.

Whether future routes are classified as phase 1b or phase 2 is informed by whether such routes are to be operated by phase 1a operators or new operators.

Services initially considered as part of 1b could include:

- Trunk services

- Further extension of the Airport express services to Durbanville/ Bellville and Claremont/Wynberg areas.

- Feeder services

- Feeder services from Richwood, Edgemoor and Summer Greens areas connecting to both the Phase1a network and the new Century City Rail station.

The original Phase 1B included trunks along Koeberg Road. Koeberg Road catchment will be dealt with in Phase 2 which will align with north-south trunk corridor linking the West Coast area to the South Eastern metro. In Phase 1, this N-S trunk is premature considering all the existing services from the west coast catchment to other areas like Hanover Park, Mitchell's Plain and others.

Phase 1b is under review and investigation. The results thereof will be documented in detail in future progress reports.

7.4. Roll-out sequence

The Phase 1A roll-out has been amended as follows:

- Milestone 2 (Tableview feeders) & 3 (Montague Gardens, Century City & Du Noon), as per the previous progress report, has now been combined to one milestone, namely Milestone 2. The original time difference between the then Milestone 2 and 3 was small and therefore for operational and marketing reasons, it is now recommended that these milestones be combined.
- Milestone completion dates have been amended slightly to ensure closer alignment to cash flow and project implementation requirements.

The amended roll-out is summarised in the following table:

Service	Trunk / Feeder	Planned starting date (provisional dates)
Interim services		
Airport - CBD	Trunk	Operational
Gardens – CBD – Waterfront	Feeder	By festive season
Milestone 0: Starter service		
Airport – CBD	Trunk	Operational
Bayside – Civic – Waterfront	Trunk	End February 2011
Gardens – CBD – Waterfront	Feeder	Planned to be operational
Bayside interim feeders	Feeder	Under investigation
Milestone 1		
Inner City feeders (incl Hout Bay)	Feeders	December 2011
Milestone 2		
Table View	Feeders	February 2012
CBD – Montague Gardens	Trunk	February 2012

Du Noon – Century City – Montague Gardens	Feeder	February 2012
Century City – R27	Feeder	February 2012
Milestone 3		
Atlantis – Bayside – Montague Gardens	Trunk	July 2012*
Atlantis	Feeders	November 2012*
Melkbosstrand	Feeders	November 2012*
Milestone 4		
Du Noon – Bayside – CBD	Trunk	July 2013*
<p><i>For more details, see the following sections in the Business Plan:</i></p> <ul style="list-style-type: none"> ▪ <i>Interim services (para 4.3).</i> ▪ <i>Milestones in the rollout of Phase 1A (para 4.4).</i> 		

7.4.1. Areas for further investigation & review

During the public participation process the following matters of importance were raised and warrant further investigation:

Review of the current Atlantis feeder model: Existing taxi operators comprehensively cover the Atlantis residential areas. The size of the proposed IRT feeder fleet and the resulting operational cost makes it difficult to provide similar coverage than the existing taxi operators are providing. By reducing the coverage you affect current customer convenience (in terms of walking distance). The city would like to review the Atlantis feeder model to ensure optimum balance between affordability and quality of service.

Accelerating the Du Noon trunk: Operationally it is advantageous to accelerate this trunk for the following reasons:

- Minimise dead mileage. The proposed depot is located in Potsdam Road north of Du Noon and Doornbach. Without the Du Noon trunk in place, fleet will travel along (in mixed traffic) Potsdam and Blaauwberg Road to commence service at Bayside. This would be dead mileage as this fleet will not be able to pick up passengers along Blaauwberg Road. By accelerating this trunk, this service can now commence in Du Noon and improve system efficiency.
- Ensure continuity in the roll out process, due to the advanced stage of design of the Blaauwberg/ Potsdam road system, and minimise delays to the overall Phase 1a programme

The earlier implementation of the Du Noon trunk will be assessed in terms of additional grant funding, securing the existing subsidy and subject to the review of the Atlantis feeder network.

7.5. Interim services

7.5.1. Airport – CBD trunk service

Post 2010 World cup event, passenger numbers on the airport shuttle were low. However recent data analysis shows slight but constant increase in patronage. The following measures have been put in place to improve patronage:

- Established Marketing strategy and resource
- Amended Tariffs that encourages block purchase, regular travelers and reductions for children.
- Airport Park & Ride initiative with ACSA which will target N2 commuters bound to the CBD.

7.5.2. Inner City Interim service

The City is investigating the possibility of running a limited but more suitable service along routes covering the necessary destinations, aligns with future IRT inner city routings, minimally impacts on existing services and at a more affordable fare. The proposed route for this interim service is shown in Figure 2 on page 56.

7.6. Phase 2 & beyond

The City's IRT system planning unit will commence shortly with the tender process for the appointment of professional services for planning and design of Phase 2 and beyond. As part of the brief of works of the existing operational plan appointment, preliminary phase 2 and beyond plan, design and modelling was undertaken.



Figure 2. Proposed inner city interim service

8. Infrastructure

8.1. Design progress review

8.1.1. Professional service appointments

These appointments encompass the design of public transport bus lanes, intelligent transport system infrastructure, trunk bus stations, feeder bus stops, non-motorised-transport facilities and bus depots. The CoCT have appointed HHO Africa and Arcus Gibb as lead consultants for the design and contract supervision of IRT infrastructure.

West Coast Corridor between the CBD and Atlantis (HHO Africa)

The geographical area of the current appointment extends up the west coast to include the rapidly growing residential area in Blaauwberg north of the Diep River, the Montague Gardens Industrial area, the Century City commercial area as well as the low-income communities of Atlantis, Mamre, Dunoon and Doornbach.

Inner City (Arcus Gibb)

The geographical extent of the 'Inner City' area incorporates the City Bowl, Woodstock, Salt River, Waterfront, Camps Bay and Hout Bay.

8.2. Design progress

The design progress of various infrastructure components of the IRT system is discussed in more detail here.

8.2.1. Trunk bus ways and bus lanes

Ongoing design work is progressing on the trunk route between Atlantis and Montague Gardens via Melkbosstrand (reducing infrastructure costs where feasible). For progress regarding bus way and bus lane design, see Table 6.1.

Table 6.1: Bus way and bus lane design progress

Description	Design Stage – Concept/ Prelim/ Detail	Consultant	Appointment Date (design start date)	% complete	Anticipated completion date	Comments
Stadium to Queens Beach	Conceptual	Arcus Gibb	Feb 2009	100	NA	<i>The need to reconstruct the road pavement to support trunk buses coupled with environmental impacts and lower than expected passenger demands, it is considered more appropriate to implement a feeder bus service along this route. Trunk bus routes originally planned to terminate at Queens Beach would be routed via the Waterfront and would serve to strengthen linkage between the airport and hotels in the CDB & improve accessibility to work opportunities at the V & A Waterfront. Following the decision to terminate the trunk route at the Waterfront and provide a feeder service along this route further design and development of a trunk service has been abandoned.</i>
Waterfront service to Victoria Wharf & Clock Tower (Roggebaai)	Route Feasibility Report	Arcus Gibb	Feb 2009	70	Dependent on negotiations	<i>V&A Waterfront decided not to contribute towards the development of the CoCT's IRT system at this stage because of their current financial commitments and the global economic turnaround coupled with its knock-</i>

Description	Design Stage – Concept/ Prelim/ Detail	Consultant	Appointment Date (design start date)	% complete	Anticipated completion date	Comments
Canal Precinct)					with V&A and Ports Authority	<i>on effect on tourism. A meeting was convened with Portnet in connection with a conceptual route via Roggebaai to the Clock Tower in V&A. Portnet reported that the Heerengracht entrance is permanently closed and there is traffic congestion at the Clock Tower entrance. Consultants to investigate the feasibility of a feeder route through the Clock Tower building and the possibility of providing additional green time at the Coen Steytler and Buitengracht intersection</i>
Blaauwberg Rd: – Pentz Drive to Koeberg Rd and the R27: - Blaauwberg to Sandown Rd	Detail	HHO	Jan 2009	90	March 2010	<i>Preservation of gum trees in the median may impact the sizing of the Diep River station. Currently confirming the location of the Chevron brine pipeline – relocation of this pipeline could potentially influence the programme and possibly station locations. The need to provide passing lanes along Blaauwberg Road is under review and is yet to be confirmed by the CoCT's IRT systems planning team – currently passing lanes have been provided at all stations & will result in significant additional design work if these are omitted.</i>
Potsdam Road: - between Blaauwberg Road and Doornbach	Preliminary Detail	HHO HHO	Jan 2009 Aug 2010	100 25	July 2010 Dec 2010	<i>Consultants have amended the design following the review of bus passing lane requirements and station configuration. The omission of passing lanes combined with the adoption of double sided stations should yield project cost savings. The accommodation of gum trees along the west side of Potsdam Road in combination with narrow verge along the boundary fence and the need to provide a pedestrian footway may ultimately impact the design cross section & could potentially result in significant redesign work.</i>
Atlantis and Melkbosstrand areas (localised road widening)	Conceptual Preliminary Detail	HHO HHO HHO_	Mar 2009 Aug 2010 Sept 2010	100 100 10	Aug 2010 Sept 2010 Dec 2010	<i>Conceptual design of the Melkbosstrand station road layout and Birkenhead traffic signals have been approved and preliminary design has commenced.</i>
Montague Gardens Industria via Racecourse Rd	Conceptual Preliminary Detail	HHO HHO HHO	Oct 2009 July 2010 Aug 2010	90 100 15	June 2010 Aug 2010 Jan 2011	<i>Consultants have presented conceptual plans for the proposed trunk route along Racecourse Road which includes a trunk/feeder station at Amuramba Road and a possible station outside the Stables Shopping Centre. Conceptual design of the trunk bus route along Racecourse Road has been presented to the regular Design Review Meeting by consultants and has subsequently progressed to preliminary design stage.</i>
Century City bus lanes and stations	Conceptual	HHO	Feb 2009	90		<i>Due to the relatively expensive link between the R27 & Century City via Bosmansdam Rd, Koeberg Rd and Boundary Road, and the budget constraints, further development of this route has been postponed</i>

8.2.2. Trunk stations

Detail design of Thibault Square Station is complete and drawings have been approved by the CoCT. Aspects requiring further design review and development and for which statutory approval is sought include the following:

- o The concept design for the Melkbosstrand trunk and closed feeder station superstructure has undergone a number of conceptual design reviews and was submitted to CoCT for approval on 15 Sept 2010. Conceptual design of trunk stations along Racecourse Road at Milnerton Medi Clinic and at the intersection with Omuramba (at intersection with Racecourse, north of the Joe Slovo informal settlement)

- Review of station access and exit ramps in light of the draft document SANS 10400-S: The Application of The National Building Regulations — Part S: Facilities for Persons with Disabilities. Following a review of this document it was agreed to aim for an access ramp gradient of 1:15 where ever possible, else revert back to the minimum gradient of 1:12. All stations not yet built are subject to design review following the decision to adopt a maximum gradient of 1:15 for all access ramps.
- Following the initial wind assessment (feb 2010) at the Civic Centre trunk bus station, by wind specialist Adam Goliger, a further appointed has been made to investigate wind protection measures (wind gutters, under slung roof, etc), which include wind tunnel tests
- Closed feeder station: – Architectural concepts for both Melkbosstrand and Adederley Street stations have been approved by the CoCT and architects are currently refining conceptual plans for Gardens Centre and Queens Beach.
- With the exception of Bayside Station, all other building plans for phase 1A stations listed in Table 6.4 have been approved.
- Conceptual design of staff facilities (for operators, bus drivers, cleaners) at Civic Centre station is currently in progress; a number of options have been tabled for design review.
- Procedures for the handover of completed stations to the CoCT have been finalised in combination with the development of operating manuals that include appropriate as-built drawings and technical data.

8.2.3. Feeder services and stops

The concept design Inner City feeder station super structure was approved in July 2009 and a preliminary design report (including cost estimates) for both the sub-structure and the superstructure was submitted to the CoCT in December 2009.

The preliminary design report for the Inner City feeder services included the design and costing of various open feeder station sub-structures and super-structures for typical site conditions. Following changes to Inner City Routes and value engineering exercise an updated 'Inner City of Cape Town Open Feeders' preliminary design report, including revised cost estimates was submitted to the CoCT in July 2010. Substantial comment on the preliminary design of typical open feeder substructures & superstructures, the Inner City feeder routes & stop locations and the conceptual layouts of individual feeder stops has already been sent through to consultants, Arcus Gibb. A revised preliminary report was issued to the CoCT on 16 September 2010 and formal sign off is pending. Verification of Inner City feeder stop locations (F01 – F08) is 100% complete and detail design has started on the Circle Route (F07). Aspects requiring further design review and development and for which statutory approval is sought include the following:

- The conceptual designs, verification of feeder stops locations and typical layouts for the Blaauwberg feeder services (F14 – F16) is complete. A book of drawings comprising of conceptual layouts for each station is complete and is currently being reviewed by CoCT officials.
- Feeder routes proposed by the CoCT in Atlantis/ Pella/ Melkbosstrand areas (F08 – F13) are currently being assessed by our consultants and draft proposals for a revised route network and (preliminary) station locations is currently being developed. No detailed verification of the station locations has been undertaken to date. Further design work on feeder routes F08 – F13 has been placed on hold pending clarity on the IRT rollout plan for Phase 1A.

Ongoing design work is progressing on the following items:

- Assessment of the current minibus taxi and Golden Arrow bus services operating from Atlantis and the possible IRT trunk bus and feeder bus options
- Improvements to feeder routes in Blaauwberg
- Bus stops/stations on feeder routes

Open Feeder Stop substructures: Review of platform height in light of the bus clearance, measured on existing buses and taken from tender specifications, to allow buses to sweep over platforms to avoid collision with

buses. The CoCT is also currently reviewing the feeder stop sub-structure design in light of recommendations put forward by the National Department of Transport to investigate the feasibility using CD-style boarding bridges on feeder buses. Preliminary findings indicate that the use of a CD-style boarding bridge in combination with a standard Kassel kerb or standard barrier kerb, with a 160mm kerb face, offer a number of advantages. The use of these boarding bridges effectively bridge the horizontal gap and vertical level difference between the bus and the platform and will eliminate the need to raise the level of the feeder stop platform to 270mm above finished road level. The boarding bridge in combination with bus 'kneeling' would only be employed for disabled users, whereas under normal circumstances abled users would simply step up 200mm onto the bus. The CD-style boarding bridges are currently being assessed by our disability specialist, and if proved viable for disabled access, will significantly impact on the design of our feeder stop sub-structure. This will eliminate the need for ramps up to the platform, will eliminate level differences to private forecourts and is couple with infrastructure savings and increased flexibility of the feeder fleet. Approval of the revised preliminary report is hence subject to the adoption of the CD-style boarding bridges on feeder buses.

- Generic Feeder Station (Super-structure): Final review of the design is complete and the architect has been instructed to incorporate improvements suggested by officials and to resubmit architectural drawings for Client approval.

8.2.4. Bus depots

Ongoing design work is progressing on the following items:

- Stables Depot (Potsdam) - Following the release of preliminary bus fleet requirements for Phase 1A, consultants have revised the site development plan for the Stables Depot. The phase 1A rollout plan and the corresponding fleet requirements for the Stables depot have been confirmed by the client and the architects have been given the go ahead to commence with preparation of tender drawings and documentation.. The Stables depot preliminary design, in terms of the revised budget and planned bus fleet for phase 1A, is nearing completion. Tender processes for the Stables Depot is scheduled to start 24 November 2010 and construction is programmed to start in March 2011.
- Inner City Depot: - A decision to proceed with lease agreement together with an option to purchase the Inner City Depot site off Prestwick Street from Transnet, has reverted the focus to the original plan that incorporates the limited redevelopment of the Transnet site, in combination with a remote staging area between the Foreshore Freeways. Taking into consideration the Inner City fleet requirements for phase 1A, consultants have produced site development plans for the complete redevelopment of the Inner City Depot site and the full development of the remote staging facility between the foreshore freeways. The Interim Inner City Bus Depot development plan is currently being reviewed to accommodate a second operator during the IRT start-up phase to Bayside Centre (Feb 2011).
- Atlantis Depot: Following the release of preliminary bus fleet sizes for IRT phase 1A, CoCT consultants have developed conceptual designs and a phased implementation plan for the Atlantis Depot. As the IRT trunk fleet and routes displaces Sibanye services, staging, refuelling, washing and driver/administration space in the existing Depot area should become spare and available to be shared on a lease basis until purchase is agreed. If and when the IRT Feeder Services displace existing taxi services in the greater Atlantis Area, additional staging, maintenance, refuelling, driver and administration facilities will be built on the remainder of erf 81-6167. The CoCT is yet to confirm the rollout plan and corresponding fleet sizes which will dictate the brief to architects.

8.2.5. Non-Motorised Transport (NMT) Integration

The detail design and tender documentation of the NMT integration links to trunk stations, between Paarden Eiland and Sunset Beach is complete, however due to budget constraints the implementation of this work is on hold. Design work and tender documentation is 95% complete on the NMT integration along Blaauwberg Road, Potsdam Road and at Woodstock Trunk Bus Station. Tender process for NMT facilities serving IRT trunk stations

between Woodstock & Bayside, IRT stations north of Blaauwberg Road and the Melkbosstrand trunk station are all being programmed to commence in Oct 2010.

8.3. Land acquisitions and lease agreements

Table 6.2 lists properties acquired to date. Total acquisition costs amount to R 130,46 million, excluding VAT. This amount excludes the property required for the Inner City depot where an amount of R 89.1 million will be required to cover occupational interest/lease and acquisition costs.

Table 6.2 List of land acquisitions

Property	Amount (millions)
A. PROPERTIES ACQUIRED TO DATE	
Purchase of Immovable Property and Rights in Immovable Property from Transnet : Culemborg & Railway Spur	R 49,31
Purchase of Immovable Property and Rights in Immovable Property from Transnet : Culemborg & Railway Spur (Additional land)	R 1,61
Purchase of Immovable Property and Rights in Immovable Property - Paarl Media / RENNIES	R 2,04
Acquisition of unregistered Erven 35565 (or its Components) & 35556 Milnerton from Gorrie & Findlay CC and F4UR Play Properties CC for a Bus Depot in Milnerton: Stables	R 77,50
<i>TOTAL (Excluding VAT)</i>	<i>R 130,46</i>
B: PROPERTIES TO BE ACQUIRED / LEASED	
Inner City Depot acquisition / lease	Acquisition / lease details being finalised.
Airport IRT Station- ACSA lease agreement	The development agreement concluded. Details of the lease still to be finalised. Negotiations with all affected parties in hand.

8.4. Construction progress review

Progress relating to the IRT infrastructure construction contracts is presented, below grouped into the following categories:

- Bus Ways and Bus Lanes (awarded contacts and pending contacts)
- Station Superstructures
- Bus Depots
- NMT Facilities

Table 6.3 and Table 6.4 provide the status of the major bus way infrastructure contracts underway or pending award. Table 6.4 reports the construction status of major IRT stations.

8.4.1. Bus ways and bus lanes

Table 6.3: Bus ways & bus lanes under construction

Contract	Contract No.	Scope of Works	Contractor	Anticipated final construction cost (excl. VAT & esc)	Start date	% Complete	Anticipated Completion Date
Stadium Station & Granger Bay		<ul style="list-style-type: none"> • 5 No. Station substructures • Station entrance, toilets, ticket kiosk • 90m ramp to platforms, incl. retaining walls & balustrade • 460m of CRC bus lane 	Martin & East	Part of the Granger Bay Blvd Project	12/12/2008	100%	Practical completion achieved 07/05/2010
Cape Town International Airport	NA -ACSA project	<ul style="list-style-type: none"> • 1484 m² CRC concrete apron slab at station • 2 No. Station substructures • 2 No. Station superstructures • Sheltered waiting area • Ticket kiosk & info. desk • Access boom 	Walltell - Civils & Group 5 - structures	R 17,134,065.07	04/09/2009	100%	Practical completion achieved 30/04/2010
Hertzog Boulevard: Heerengracht to Old Marine Drive	319Q	<ul style="list-style-type: none"> • 2.3km of CRC bus lane • 5 No. Station substructures • 1.3km of shared ped./cycleway 	Civils 2000	R 36,815,891.00	07/04/2009	98%	15/10/2010
Culemborg: Old Marine Drive to Church St	144Q	<ul style="list-style-type: none"> • 3.6km of CRC bus lane • 3 No. Station platform substructures • 1.8km of shared ped./cycleway 	Civils 2000	R 44,925,417.00	23/01/2009	100%	11/10/2010
Culemborg: Church Street to N1	27Q	<ul style="list-style-type: none"> • 2.9km of CRC bus lane • 1.4km of shared ped./cycleway • 221m viaduct over railway lines 	Vusela	R 76,902,121.00	14/01/2010	92%	15/09/2010
Paarden Eiland: N1 to Milner Rd	77Q	<ul style="list-style-type: none"> • 5.1km of CRC bus lane • 8 No. Station substructures • 2.6km of shared ped./cycleway 	Martin & East	R 91,891,438.93	12/12/2008	100%	06/10/2010
Paarden Eiland: Salt River Canal	80Q	<ul style="list-style-type: none"> • 65.2m Bridge over Salt River Canal 	Civils 2000	R 14,239,591.00	19/01/2009	100%	01/10/2010

Contract	Contract No.	Scope of Works	Contractor	Anticipated final construction cost (excl. VAT & esc)	Start date	% Complete	Anticipated Completion Date
bridge							
R27: Milner Rd to Racecourse Rd (incl. Blaauwberg Rd between the R27 & Pentz Drive)	163Q	<ul style="list-style-type: none"> 8.0km of CRC bus lane 1.9km of heavy asphalt pavement 3 No. Station substructures 2.6km of shared ped./cycleway 	Martin & East	R 116,185,665.00	19/01/2009	100%	Practical completion achieved 30/09/2010 snags excl.
R27: Racecourse Rd to Blaauwberg Rd	139 Q	<ul style="list-style-type: none"> 11.2km of CRC bus lane 4 No. Station substructures 4.6km of shared ped./cycleway 	Baseline	R 89,266,216.00	23/01/2009	100%	Practical completion achieved 15/09/2010 snags excl.
Heerengracht & Hans Strijdom Avenue	86Q/2009/10	<ul style="list-style-type: none"> 1.3km of CRC bus lane 2 No. Station substructures (Thibault) 	Martin & East	R 25 279 857.75	16/09/2010	5	Site handed over to the contractor on 16 Sept 2010
Kassel Kerb Supply	563N		Cape Concrete/ Bekezela	R 5,275,339.00		Complete	

The following items have been excluded from main contractor's practical completion certificates (Civic to Bayside contracts):

- Landscaping – planting, hydro seeding and irrigation system
- Traffic Signal – in particular the commissioning of the permanent bus lane signals
- CCTV bus lane surveillance cameras – including the installation of the 7-way communications duct
- Effluent water main

The final inspection and handover of these work packages will be carried out by specific CoCT line departments upon completion.

Table 6.4: Bus way & bus lane contracts tendered but not yet awarded

Contract Description	Tender No.	Scope of Works	Tender value (R millions)	Comment
Potsdam Road between Blaauwberg Road and Doornbach	476Q/2008/09	<ul style="list-style-type: none"> 5.6km of CRC bus lane Dualing of existing single carriageway 5.0 No. Station substructures 2.8km of shared ped./cycleway 	136.9	<i>The validity of this tender has lapsed & re-tender subject to an agreed IRT rollout plan for Phase 1A</i>
Blaauwberg Rd: – Pentz Drive to Koeberg Rd and the R27: - Blaauwberg to Sandown Rd	486Q/2008/09	<ul style="list-style-type: none"> 9.1km of CRC bus lane 10 No. Station substructures 5.7km of shared ped./cycleway 	216.7	<i>The validity of this tender has lapsed & re-tender subject to an agreed IRT rollout plan for Phase 1A</i>
Atlantis bus lanes and	87Q/2009/10	<ul style="list-style-type: none"> Localized widening & CRC @ stations 4 No. Station substructures 	36.5	<i>The validity of this tender has lapsed & these works will be</i>

bus station				<i>repackaged as part of a new tender for the Atlantis to Montague Garden trunk route</i>
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The tender processes for the following contracts are pending:

- Inner City open feeder stop infrastructure tender process is being programmed to start late Oct 2010
- Adderley, Gardens and Queens Beach closed feeder stations tender process is being programmed to start in Jan 2011
- Tender process for NMT facilities serving IRT trunk stations between Woodstock & Bayside, the R27 bus lanes north of Blaauwberg Road and the Melkbosstrand trunk station are all being programmed to commence in Oct 2010.
- Tender processes for the Racecourse Rd bus lanes, and the Stables Depot in Potsdam are being programmed to start in December 2010
- Tender process for the Atlantis Trunk station, Atlantis Depot, Table View feeder stop infrastructure, Du Noon/Montague Gardens/Century City feeder stop infrastructure and Atlantis/Melkbos feeder stop infrastructure is all programmed to start in Feb 2011

8.4.2. Station superstructures

All the trunk stations are complete and have been handed over to the CoCT.

Table 6.4: Trunk stations currently under construction (Contact - 390Q/2008/09)

STATION	TYPE	SITE ACCESS	PRACTICAL COMPLETION	Sub-structure % Complete (<u>not</u> part of 390Q) as of 20 July 2010	Super-structure % Complete as of 20 July 2010
Granger Bay	E	16 Sept 09	27 July 2010	100	100
Civic Centre	H	23 Oct 09	17 May 2010	100	100
Civic Centre Feeders		ON HOLD		0	0
Airport	O	11 Nov 09	3 May 2010	100	100
Stadium	K	4 Nov 09	6 May 2010	100	100
Woodstock	G	19 Oct 09	30 July 2010	100	100
Paarden Eiland	A	27 Jan 10	2 Sept 2010	100	100
Neptune	A	02 Dec 09	27 Aug 2010	100	100
Section	A	11 Dec 09	30 Aug 2010	100	100
Brooklyn	A	17 Feb 09	7 Sept 2010	100	100
Zoarvlei	B1	18 Jan 09	27 Aug 2010	100	100
Lagoon Beach	B1	30 Nov 09	16 Aug 2010	100	100
Woodbridge	B1	09 Dec 09	16 Aug 2010	100	100
Links View	B1	26 Jan 10	30 Aug 2010	100	100
Racecourse	B1	09 Dec 09	13 Aug 2010	100	100
Sunset Beach	B1	24 Nov 09	12 Aug 2010	100	100

STATION	TYPE	SITE ACCESS	PRACTICAL COMPLETION	Sub-structure % Complete (<u>not</u> part of 390Q) as of 20 July 2010	Super-structure % Complete as of 20 July 2010
Bayside	C1	03 Mar 10	30 Sept 2010	100	100
Atlantis 1					
Atlantis 2		ON HOLD			
Atlantis 3					
Atlantis Town Centre					

All the trunk stations are complete however the following items have been excluded from Group 5's practical completion certificates:

- Permanent Power supply at Woodstock station
- Connection of potable water supply to Paarden Eiland, Neptune, Section and Brooklyn stations – delay due to the late installation of pressure regulating valves
- Totem Poles
- Station signage at Bayside and Brooklyn stations
- Fire Alarm communication link to the TMC

8.4.3. Bus depots

Limited redevelopment and upgrading of the existing Transnet Depot off Prestwich Street to accommodate IRT operations and construction of a remote overflow staging facility between the Foreshore Freeways was completed by Jun 2010. Works have been extended to include facilities and accommodation for second operator during the IRT start-up phase to Bayside.

8.4.4. Non-motorised transport facilities

NMT routes parallel to the trunk routes are currently being constructed as part of the bus way contracts, progress of these contracts are reported above. A significant proportion of the design and contract documentation for the construction of NMT integration at stations is complete

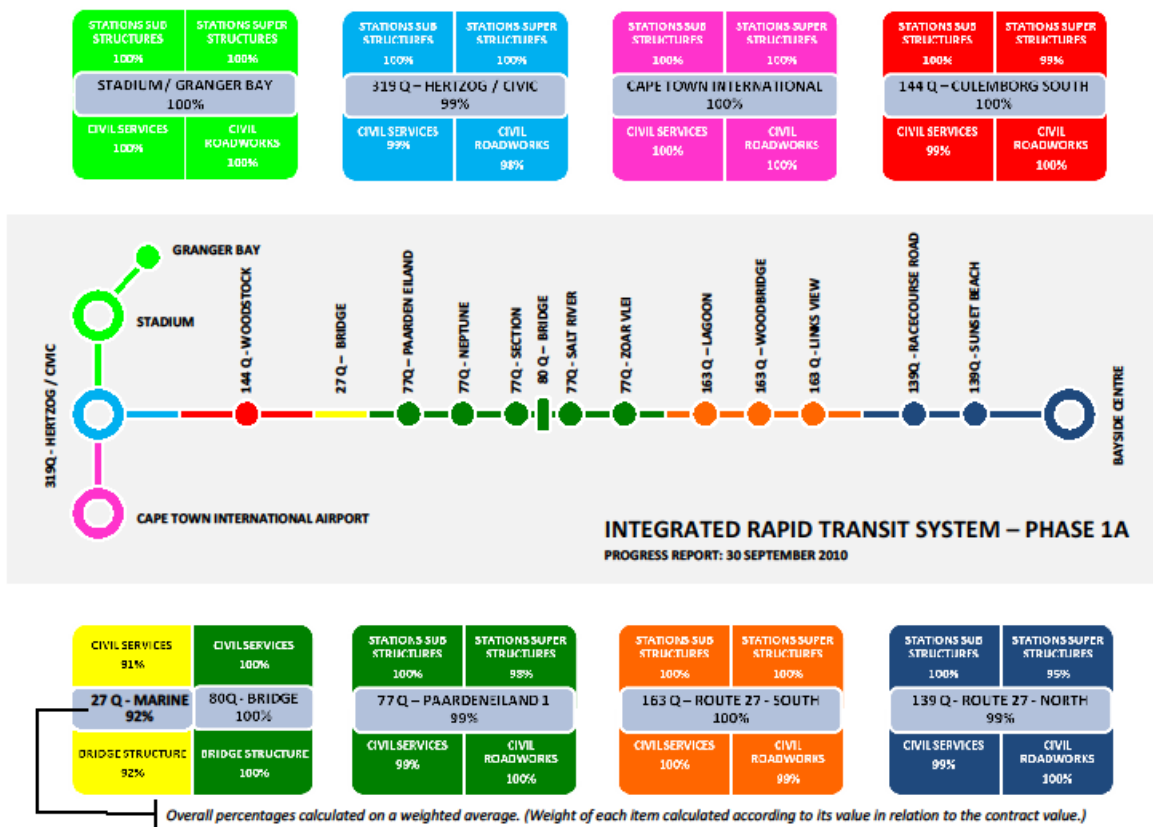


Figure 3. Construction progress on the (Pilot) Phase 1A bus way and stations

9. Establishing the project team: staffing, organogram, office

9.1. Organisational Functional Analyses

The organisational functional analyses for both departments have been concluded by the IRT Project Team as was indicated in the previous progress report. The possible duplication of functions with the establishment of the IRT Project organisational structure is still under consideration. Meetings with the IRT Directors have been scheduled to inter alia, finalise this matter.

9.2. Development of job descriptions

As already mentioned in previous reports, job descriptions for the manager posts on level 3 of the IRT Project organisational structure have been drafted.. The draft job descriptions are with the two IRT Directors for their consideration and signature where after it will be forwarded to the Executive Director: Transport, Roads and Major Projects for his consideration. Once signed by the Executive Director the relevant job descriptions will be submitted for formal benchmarking in order to determine the grading of each post for remuneration purposes.

Agreement has been reached with the Director: Communication to advise on the job descriptions for the posts of Customer Relations, Communications and Marketing. The draft job descriptions in this regard has been forwarded to him for his comments.

The IRT Project Team has been requested to proceed with the development of the job descriptions for the level 4 posts on the IRT Project organisational structure.

9.3. Filling of vacant posts

Both the posts for Director: Implementation and Director: Operations have been filled in the meantime.

As already mentioned in previous reports, the rest of the posts on the IRT Project organisational structure could be filled either by means of the placement of 2010 World Cup staff to be devolved and or advertisement of all relevant posts. An audit of the availability of the 2010WC staff has already been done in this regard.

9.4. Consultation with Unions

As already mentioned in previous reports, letters for consultation have been forwarded to the Unions and a presentation done to them on the relevant operational processes. An item has also been placed on the relevant Local Labour Forum for further consultation. Various meetings of the Sub Committee established by the Local Labour Forum already took place in order to update the Unions on further developments in this regard.

9.5. Interim operational arrangements

The secondment of the staff from the Transport department have been extended until the end of June 2011. The filling of the posts on the organisational structure, once approved by the City Manager, will proceed in the meantime.

10. Communication, marketing and branding

10.1. Introduction

The communication and marketing stream of the IRT/MyCiTi project focused on the following from **21 September – 15 October 2010**:

- Communication around road closures as a result of construction in the CBD; and
- The continuation of communication around the airport-city shuttle service

10.2. Media

10.2.1. Press Releases and media engagement

Media releases issued from 21 September – 15 October 2010:

- MEDIA RELEASE, 14 October 2010: MyCiTi Stadium Shuttle to operate to operate for the Ajax Cape Town vs Santos match at Cape Town Stadium
- MEDIA ALERT/INVITATION, 11 October 2010: City to emphasise safety of non-motorised transport users
- MEDIA RELEASE, 08 October 2010: MyCiTi Stadium Shuttle to operate to operate for the Ajax Cape Town vs Santos match at Cape Town Stadium
- MEDIA RELEASE, 07 October 2010: Artists invited to submit their designs for MyCiTi station walls
- MEDIA ALERT/INVITATION, 30 September 2010: City kicks off transport month by honouring key women in the industry
- MEDIA RELEASE, 30 September 2010: City celebrates Transport Month in October with events across the city
- MEDIA RELEASE, 29 September 2010: Residents advised of projects affecting roads in Cape Town CBD
- MEDIA RELEASE, 29 September 2010: Partial road closures for MyCiTi construction extended for another night
- MEDIA RELEASE, 27 September 2010: Partial road closures for MyCiTi construction in CBD begin tomorrow

In addition,

- Several media tours were conducted;
- A significant number of on-air radio, television, and web-based media interviews were done; and
- A number of informational media enquiries were responded to, on various facets of the IRT/MyCiTi system.

10.2.2. Radio and Print Adverts

- Print adverts were placed to warn of roadworks as a result of commencement of construction on Hans Strijdom Avenue for continuation of trunk route.
- Investigated, negotiated and created a report on advertising opportunities at the airport and the associated costs.
- Conducted an on-site inspection of the airport with a Growth Strategist, to explore advertising opportunities.

10.2.3. Work in progress

- Ongoing media communication around the operational aspects of the service

- Preparatory communication for the launch of the IRT/MyCiTi system in 2011 and the interim inner-city service

10.3. Overall Communication

10.3.1. Distribution of pamphlets and posters

- A further iteration of the A6 information card with updated scheduling information has been printed and distributed.
- A gatefold information pamphlet has been produced. This is still in draft form and is awaiting the following operational information on the inner-city service for completion:
 - The final schedule and decision about late night/early morning services
 - The final stop information regarding one stop which is not finalised
 - Launch date
- The updated street lamp banner designs for the inner city service have been finalised
- New pop-up banners advertising the airport service have been designed.

10.3.2. Maps

- An A0 map has been produced with a range of detail and information for production as an information poster. A version of this map has been finalised, which includes backpackers and hotels, and the inner city around the Civic Centre Station.
- Repackaged the inner-city loop map for use in a various reports.
- Designed location map for MyCiTi airport station

10.3.3. Electronic Media

The website www.capetown.gov.za/myciti is the public face of the IRT/MyCiTi service and is therefore regularly updated with the latest press releases, presentations, photographs, diagrams and information. It also provides the public with a forum to ask questions about the system. The site is regularly updated.

The following actions are ongoing:

- Development, writing, copy editing, design and layout, and HTML coding
- Distribution of e-newsletter to database of approximately 1038 people
- Regular updates and new releases
- Link on website to map detailing proposed IRT/MyCiTi routes on the West Coast
- Updates of and regular postings on social media platforms (including pictures), such as Facebook and Twitter

The following actions were completed:

- Updated IRT/MyCiTi Progress Report on website.

Stories produced for website in this period:

- 12 October 2010: Catch the MyCiTi Stadium Shuttle for the Ajax Cape Town vs Santos match at Cape Town Stadium
- 07 October 2010: Local artists invited to submit their designs for MyCiTi station walls

The role of the website (www.capetown.gov.za/myciti) has now changed, as will the user profile of the site, as it will increasingly be a communication tool for an operational service.

There is a growing trend for users of public transport to get scheduling and other information online, with the added advantage that online media is usually the most accurate source of information as it can be changed on a virtually real-time basis. These services are also increasingly demanded on a mobile (cellphone) platform. At present the site is not geared to perform these functions, and this is being assessed, with a view to upgrading the site.

10.4. Progress with marketing and branding strategy

See also Chapter 6.

10.4.1. Signage

- Developed additional informational signage
- Updated and printed signage for:
 - Scheduling
 - Tickets and receipts
 - New ticket products
 - Kiosk Open
 - Meter taxi information
- Costing was completed for plasma signage options at the airport.
- Short message advertising for the airport shuttle has been drafted, for publication on the variable message signboards

10.4.2. Promotional products

- A MyCiTi cap and shirt has been designed. Production is to be taken forward by the relevant City departments.

10.4.3. Incorporating Branding & Advertising Opportunities

- Bib suppliers have been sourced
- Professional photographs of the MyCiTi Airport Station and stylised publicity pictures are being organised.

10.5. Stakeholder Engagement

10.5.1. Public Participation

- The City has invited artists to submit their designs for the MyCiTi station walls on the West Coast. This interactive campaign will ultimately result in a member of the public's design being selected for use on the station walls.
- A consultant rode the MyCiTi bus for three hours to interview passengers on their experience and take photographs. This was written up as a series of vox pops for the City's own website and the Cape Town Partnership and other partners.
- On Monday, 04 October, the IRT/MyCiTi team gave a presentation to the Tableview Ratepayers Association on the proposed route in the Table View area.
- Establishment of a Stakeholder Forum is ongoing.

10.5.2. Strategic Partnerships

Strong partnerships will be critical to the success of the MyCiTi system and a number of stakeholder and partner organisations have emerged that will play an important role in the success of the first trunk and feeder services. These include:

- The Cape Town Partnership
- Cape Town Tourism
- ACSA
- PRASA
- CTICC
- The IRT/MyCiTi Communication team met with ACSA and devised an action plan based on the discussions.

- The IRT/MyCiTi Communication team conducted a site visit of the airport, with John Lloyd, to scope out marketing opportunities at the site.
- Prepared an information pack for the Executive Mayor to take with him on his trip to China. The Mayor also delivered a speech on the BRT while in China.
- Arranged for the IRT/MyCiTi team to give a presentation to Investec, educating staff on MyCiTi service
- Liaised with Cape Town Tourism and the Cape Town Partnership about placing the MyCiTi shuttle schedule times on their website

10.5.3. Promotional offers

- Free passes for use of the airport service have been distributed to strategic individuals and groups.

10.5.4. Councillor information

- Amended and updated fact sheet and drew up table of new tariffs approved for interim inner-city service, to be distributed to Councillors.

10.6. Events

- Regular art tours of IRT/MyCiTi stations
- Airport tours with interested groups, including one on 21 September with Marketing students from the University of Cape Town (UCT).
- Delivered presentation to UCT Marketing students on the upcoming West Coast route.

10.7. The Way Forward

The MyCiTi system is an overwhelmingly positive development that represents many exciting marketing opportunities for the City and the IRT/MyCiTi team. Critical success factors include:

- The ability to communicate to the public with certainty about the services that we will offer and when they will be available;
- Recognition of the strategic role that marketing and communication play in successful public transport services;
- Appropriate budgets and resourcing;
- Ongoing and integrated dialogue across the multi-functional MyCiTi team so that marketing and communication strategy is not expected to emerge in a silo;
- The need to develop short, medium and long term marketing plans and strategies that are integrated with the system/operational plan;
- Fostering strong partnerships with key stakeholders.

11. Report on implementation of World Cup public transport services

This report focuses on the World Cup public transport services that were linked to the MyCiti IRT system, which included the following:

- MyCiti Civic – Stadium shuttle on event days,
- MyCiti service between the CBD and the airport
- MyCiti Inner City Loop service aimed primarily at visiting tourists.

The description and costs below also includes other service provided by the main 2010 vehicle operating company, such as shuttle services using rented buses.

Excluded from the information in this report is the last mile home service, in terms of which the minibus taxi industry was contracted to be available at rail stations late at night, Fan Park and fan jol services as well as one limited park and ride service. Also excluded are public transport services provided by others, such as the rail services of PRASA. A report on these 2010 World Cup transport services, inclusive of the MyCiti services will be addressed by the Transport Department.

Nature of IRT based 2010 transport service

The 2010 transport services operated for a 49 day period from Saturday 29 May 2010 to Friday 16 July 2010. Certain transport services operated every day throughout the 49 day period (World Cup Peak Period Services) and certain services will only operate on Cape Town match days (World Cup Match Day only Services). After 16 July and until 31 October 2010 (when 2010 World Cup Stadium Operator Contract comes to an end) the continuation services will run. Table 5 summarises the World Cup Peak Period and Match Day Transport Services that operated during the 2010 World Cup.

Table 5. 2010 World Cup public transport services

Item No.	2010 Transport Services	World Cup Peak Period Services	World Cup Match Day only Services	Vehicles to be Used	Fare Management System	Operator to Provide following complementary Services	Operational Dates
A	World Cup Shuttle Service		X	City's Vehicles	Operator allows at sight of event ticket on Boarding.	Precinct Management at IRT Stations	11,14.18,21,24,29 June and 3,6 July 2010
B	Airport Service	X		City's Vehicles	City Revenue Service Sells and Collects Fare	Precinct Management at IRT Stations	29 May to 16 July 2010
C	Hout Bay Service		X	Operator's Vehicles	City Revenue Service Sells and Collects Fare	Passenger Management at Stops	11,14.18,21,24,29 June and 3,6 July 2010
D	Queens Beach Service	X		Operator's Vehicles	City Revenue Service Sells and Collects Fare	Passenger Management at Stops	29 May to 16 July 2010
E	Inner City Loop Service	X		City's Vehicles	City Revenue Service Sells and Collects Fare	Precinct Management at IRT Stations and Passenger management at stops	29 May to 16 July 2010
F	Park and Ride Service		X	Operator's Vehicles	Operator allows at sight of event ticket on Boarding.	Passenger Management at Parking areas and Portable Toilets at Parking Areas	11,14.18,21,24,29 June and 3,6 July 2010

Table 6 shows the actual cost for the provision of the World Cup public transport services, up to 16 July 2010. The costs cover most of the test events prior to the World Cup, services during the period of 49 days over the World Cup Peak period (29 May to 16 July) and also the establishment costs in the period leading up to the World Cup peak period. These costs included the planning by the vehicle operations company, staffing, organisation in the depot, equipping the depot with furniture, computers, personnel uniforms, security of the depot, take over and security of the IRT stations using during the World Cup, etc. The costs refer only to operational costs and do not include the costs of fixed infrastructure or the costs of the IRT buses.

These costs also exclude City's costs for the management of the transport service contracts, City's monitoring and transport controller team.

The support infrastructure and services, depot, IRT stations, staging area, etc will continue to be used for the continuation services after the World Cup, until such time as the IRT 12 year contract is implemented, which is planned for early 2011. However, these costs are not included in the table below.

Table 6. Operational costs of World Cup public transport services

	RANDS
Company establishment and contracting	
Planning and contractual arrangements	1,579,049
Management and operations of support infrastructure	9,288,417
Legal support and advice	353,098
Inner City Depot staffing and operational costs	5,599,069
Staging area	529,846
Park and Ride facility	148,006
IRT station security	356,345
Precinct management at stations	2,062,053
Driver training bonus	240,000
Provision of transport services	3,446,897
Airport service	1,484,734
Inner City City Loop services	818,955
Queens Beach service	503,235
Stadium shuttle (8 match days)	116,504
UCT Park & Ride (8 match days)	330,720
Hout Bay services (8 match days)	192,749
Additional contingencies (security, reserve transport, additional personnel, etc)	1,277,000
Fare Collection	2,237,000
Vehicle tracking	625,000
TOTAL	17,828,363

IRT buses for the World Cup service

On May 29, 2010 the 2010 Transport services started at 0400 with the Inner City Loop and Airport shuttle service. A total of 43 high floor IRT buses were used in the operations, as follows:

- 8 x 18m articulated buses
- 28 x 12m basic IRT buses;
- 7 x 12m Airport buses, with fewer seats and more space for luggage.

Inner city depot

The IRT Inner City Depot was handed over to the vehicle operator just in time for the World Cup services. At present this facility is rented from Transnet, but the City has done various improvements to ensure that it can operate as a functional IRT depot.

2010 World Cup vehicle operator

In February 2010 the City signed a contract with a company, TransPeninsula, formed by Inner City taxi associations, to provide vehicle operator services until October 2010, including the transport during the 2010 World Cup. This company ran the City's IRT buses, and also hired in additional buses to provide ancillary services. It is understood that this agreement was the first one of this kind in the country, and is the first step to incorporate the taxi industry into the IRT.

The company has done an excellent job in providing the service, in view of difficulties experienced such as late arrival of vehicles, licensing delays, late handover of the depot etc. The World Cup event services have taught them a great deal on how to operate transport for events. There are a few areas that require growth. They accommodated all of the City of Cape Town last minute requests.

Notwithstanding the very tight deadlines and the late delivery of the buses, sufficient numbers of drivers were trained to render the services required for the 2010 World Cup contract. A total of 135 drivers, 80 of which were sourced from the taxi industry, underwent driver and product training. A further 55 drivers were sourced from an agency who only required the vehicle specific product training. More training is required.

Passengers served with public transport

The actual public transport passenger movements provided by the City during the World Cup Peak Period (until 16 July 2010) were as follows:

World Cup transport services	Passenger trips
Stadium shuttle services using MyCiTi buses	139 991
Airport shuttle	12 444
Inner City Loop	17 444
All other event transport services (excl contracted minibus-taxi last mile home and fan jol services)	78 277
Grand total	248 156

Table 7. Actual vehicle and passenger movements (excl Inner City Loop): World Cup Peak Period

Date	Civic Centre IRT bus station to Stadium		UCT park & ride shuttle		Hout Bay shuttle		Golden Arrow overflow shuttle		GRAND TOTAL	
	On Hertzog Boulevard		On Hertzog Boulevard		On Somerset / Main Road		On Hertzog Boulevard			
	Vehicle trips	Pax	Vehicle trips	Pax	Vehicle trips	Pax	Vehicle trips	Pax	Vehicle trips	Pax
11 June 2010	270	17 881	109	5 878	17	811	0	0	396	24 570
14 June 2010	303	22 870	120	7 331	38	1 760	7	440	468	32 401
18 June 2010	234	14 246	95	5 434	45	1 925	5	313	379	21 918
21 June 2010	331	22 808	111	6 978	32	1 666	19	1 428	493	32 880
24 June 2010	242	16 900	136	7 639	50	1 995	9	661	437	27 195
29 June 2010	228	14 367	107	6 096	47	2 073	18	1 414	400	23 950
03 July 2010	283	16 767	172	9 962	48	2 424	0	0	503	29 153
06 July 2010	231	14 152	171	9 782	53	2 267	0	0	455	26 201
TOTAL	2 122	139 991	1 021	59 100	330	14 921	58	4 256	3 531	218 268

DATE OF MAXIMUM UTILISATION

14 June 2010	22 870	06 July 2010	9 962	06 July 2010	2 424	29 June 2010	1 428
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Annexure A Phase 1A trunk directory (as on 7 July 2010)

MyCiTi Routes		
PHASE 1A TRUNK DIRECTORY (as on 7 July 2010)		
ID	Route identification	Route details
Trunk		
T01	Doornbach / Du Noon - Waterfront	(Forward) - Potsdam Rd & Usasaza Rd - Potsdam Road - Blaauwberg Rd - R27 - Milner St - Paarden Eiland disused rail siding - New N1 busway - Hertzog Blvd - Heerengracht - Hans Strijdom Ave - Western Blvd - Granger Bay Blvd - Breakwater Lane - V&A Waterfront
T02a	Airport - Cape Town CBD - Civic Centre	(Forward) - Airport Terminal - Airport Approach Rd - N2 - Hertzog Blvd - Heerengracht - Hans Strijdom Ave - Civic Centre Station
T03a	Atlantis - Racecourse Rd - Montagu Gardens (Peak Period)	(Forward) - Atlantis Town Centre terminus - Westfleur Clr. - Sampson Rd - Charel Uys Dr - Dassenberg Rd (R307) - West Coast Road (R27) - Blaauwberg Rd east - Blaauwberg/ Raats rd intersection - Blaauwberg Rd west - R 27 - Racecourse Rd - Racecourse Rd/ Omuramba Rd intersection (Closed station)
T03b	Atlantis -Melkbos - Montagu Gardens (Off - peak period only)	(Forward) - Atlantis Town Centre terminus - Westfleur Clr. - Sampson Rd - Charel Uys Dr - Dassenberg Rd (R307) - West Coast Road (R27) - Melkbosstrand Rd - Otto du Plessis Dr (M14) - Birkenhead Dr - R27 - Blaauwberg Rd east - Blaauwberg/ Raats rd intersection - Blaauwberg Rd west - R 27 - Racecourse Rd - Racecourse Rd/ Omuramba Rd intersection (Closed station)
T04a	Atlantis - Melkbos - Table View (Peak Period only)	(Forward) - Atlantis Town Centre terminus - Westfleur Clr. - Sampson Rd - Charel Uys Dr - Dassenberg Rd (R307) - West Coast Road (R27) - Melkbosstrand Rd - Otto du Plessis Dr (M14) - Birkenhead Dr - R27 - Blaauwberg Rd east - Blaauwberg/ Raats rd intersection - Blaauwberg Rd west

Annexure B Phase 1A feeder directory (as on 7 July 2010)

MyCiTi Routes		
PHASE 1A FEEDER DIRECTORY (as on 7 July 2010)		
ID	Route identification	Route details
F00	Hout Bay - Camps Bay	<i>Forward Direction:</i> Marlin Cr - Karbonkel Rd - Atlantic Skipper Rd - Harbour Rd - Princess St - Main Rd - Imizamo Yethu - Victoria Rd - Llandudno - Victoria Rd - The Meadway - Park Rd - Argyle St - Victoria Rd
		<i>Reverse Direction:</i> The Meadway - Park Rd - Argyle St - Victoria Rd - Llandudno - Victoria Rd - Imizamo Yethu - Main Rd - Princess St - Harbour Rd - Atlantic Skipper Rd - Karbonkel Rd - Marlin Cr.
F01	Camps Bay - CBD - Waterfront	<i>Forward Direction:</i> Victoria Rd northbound - Argyle St - Tree Rd - Geneva Dr - Camps Bay Dr - Kloof Nek Rd - Kloof St - Loop St - Wale St - Adderley St - Heerengracht - Hertzog Blvd eastbound - Hertzog Blvd westbound - D F Malan St - Table Bay Blvd - Hereengracht - Coen Steytler Ave - Dock Rd - South Arm Rd - V & A Waterfront Clock Tower
		<i>Reverse Direction:</i> V&A Waterfront Clock Tower - South Arm Rd - Dock Rd - Coen Steytler Ave - Hereengracht - Table Bay Blvd - D F Malan St - Hertzog Blvd eastbound - Hertzog Blvd westbound - Heerengracht - Adderley St - Wale St - Long St - Kloof St - Kloof Nek Rd - Camps Bay Dr - Prima Ave - Platteklip Plein - Ravensteyn Ave - Camps Bay Dr - Fiskaal Rd - Chas Booth Ave - Rontree Ave - Camps Bay Dr - Victoria Rd northbound - Argyle St - Tree Rd - Geneva Dr - Camps Bay Dr - Victoria Rd northbound.
F02	Sea Point (via Beach Rd) - CBD - Garden Centre	<i>Forward Direction:</i> Beach Rd (At Queens Rd Circle) - Breakwater Lane - Port Rd - Dock Rd circle - Dock Rd - Coen Steytler Ave - Heerengracht - Table Bay Blvd - D F Malan St - Hertzog Blvd Eastbound - Hertzog Boulevard Westbound - Heerengracht - Adderley St - Wale St - Long St - Orange St - Annandale Rd - Mill St - Mill St off ramp eastbound - Maynard Southbound - Mill St on ramp Westbound
		<i>Reverse Direction:</i> Mill St on ramp Westbound - Mill St - Annandale Rd - Orange St - Buitensingel St - Loop St - Wale St - Adderley St - Heerengracht - Hertzog Blvd Eastbound - Hertzog Blvd Westbound - D F Malan St - Table Bay Blvd - Heerengracht - Coen Steyter Ave - Dock Rd - Dock Rd circle - Port Rd - Breakwater Lane - Beach Rd - Turn around at Queens Rd circle.
F03	Camps Bay - Sea Point - CBD	<i>Forward Direction:</i> Victoria Rd southbound - Camps Bay Dr - Geneva Dr - Camps Bay Dr westbound - Victoria Rd northbound - Queens Rd - Regent Rd - St Andrews Rd - Beach Rd - Queens Rd - Regent Rd - Main Rd - Somerset Rd - Riebeek St - Long St - Strand St - Adderley St - Heerengracht - Hertzog Blvd eastbound

		<i>Reverse Direction:</i> Hertzog Blvd westbound - Heerengracht - Adderley St - Strand St - Loop St - Riebeeck St - Somerset Rd - Main Rd - Regent Rd - St Andrews Rd - Beach Rd - Queens Rd - Victoria Rd - Camps Bay Dr - Geneva Dr - Camps Bay Dr westbound - Victoria Rd northbound
F04	Fresnaye - CBD	<i>Forward Direction:</i> Beach Rd - Queens Rd - Kloof Rd - Ave Fresnaye - High Level Rd - Strand St - Adderley St - Heerengracht - Hertzog Blvd Eastbound
		<i>Reverse Direction:</i> Hertzog Blvd Westbound - Heerengracht - Adderley St - Strand St - High level Rd - Ave Fresnaye - Kloof Rd - Queens Rd - Regent Rd - St Andrews Rd - Beach Rd.
F05	Vredehoek - CBD	<i>Forward Direction:</i> Deer Park Dr West - Highlands Ave - Upper Buitenkant St - Mill St eastbound - Maynard St - Mill St westbound - Buitenkant St - Darling St - Adderley St - Heerengracht - Hertzog Blvd.
		<i>Reverse Direction:</i> Hertzog Blvd westbound - Heerengracht - Adderley St - Darling St - Buitenkant St - Mill St eastbound - Maynard St - Mill St westbound - Upper Buitenkant St - Highlands Ave - Deer Park Dr East - Frank Ave - Deer Park Dr West.
F06	Bo-Kaap - CBD - District 6 - Salt River	<i>Forward Direction:</i> Bantam St - Yusuf Dr - Wale St - Adderley St - Darling St - Keizersgracht - Chester Rd - Coronation Rd - Upper Mountain Rd - Rhodes Ave - Upper Roodebloem Rd - Roodebloem Rd - Victoria Rd - Salt River Rd - Salt River Rd Circle - Albert Rd eastbound - Spencer Rd northbound - Foundry Rd westbound
		<i>Reverse Direction:</i> Foundry Rd westbound - Alfred Rd northbound - Voortrekker Rd westbound - Salt River Circle - Salt River Rd - Victoria Rd - Roodebloem Rd - Upper Roodebloem Rd - Rhodes Ave - Upper Mountain Rd - Chester Rd - Keizersgracht - Darling St - Adderley St - Wale St - Yusuf Dr - Bantam St.
F07	City Bowl Circle Line	<i>Forward Direction:</i> Kloof St - Hof St - Rayden St - Molteno Rd - Montrose Ave - Upper Orange St - Lincoln Rd - Sidmouth Ave - Homeleigh Ave - Fitzherbert Rd - Deer Park Dr - Highlands Ave - Florida Rd - Davenport Rd - St James St - Derry St - Noordelik Ave - Barnham Ave - Windburg Ave - Crassula Ave - Roeland St - de Villiers Rd - Tennant St - Keizergracht - Darling St - Adderley St - Heerengracht - Hertzog Blvd Eastbound - Hertzog Boulevard Westbound - D F Malan St - Table Bay Blvd - Heerengracht - Coen Steytler Ave - Lower Long St - Long St - Kloof St.
		<i>Reverse Direction:</i> Kloof St - Buitensingel Rd - Loop St - Lower Long St - Coen Steytler Ave - Heerengracht - Table Bay Blvd - D F Malan St - Hertzog Blvd Westbound - Hertzog Blvd Eastbound - Heerengracht - Adderley St - Darling St - Keizergracht - Tennant St - de Villiers Rd - Roeland St - Crassula Ave - Windburg Ave - Barnham Ave - Noordelik Ave - Derry St - St James St - Davenport Rd - Florida Rd - Highlands Ave - Deer Park Dr - Fitzherbert Ave - Homeleigh Ave - Sidmouth Ave - Upper Orange St - Montrose Ave - Molteno Rd - Raydon St - Hof St - Kloof St.
F65	Tamboerskloof - CBD	<i>Forward Direction:</i> Warren St - Albert Rd - Woodside Rd - Brownlow Rd - Burnside Rd - Kloof Nek Rd - Kloof St (southbound) - Camp St - Upper Orange St - Hatfield St - St Johns Rd - Plein St - Darling St - Adderley St - Heerengracht - Hertzog Blvd.
		<i>Reverse Direction:</i> Hertzog Blvd (westbound) - Heerengracht - Adderley St - Darling St - Plein St - St Johns Rd - Hatfield St - Upper Orange St - Camp St - Kloof St (northbound) - Kloof Nek Rd - Warren St.

F08*	Mamre - Atlantis	Silverstream/ Dassenberg Rd intersection - Dassenberg Rd northbound only - Main Rd westbound only - Turnaround at Frans St Circle - Main Rd southbound - Lang Ave - Seemeeu st southbound only - Enon St eastbound only - Moravia St southbound only - Poiet St southbound only - Silverstream Rd eastbound only - Dassenberg Rd - Charel Uys Dr - Grosvenor Ave - Athens Ave - Anna Ave - Wesfleur Cir - Current Taxi Facility
F09*	Pella - Atlantis	Current bus turnaround in Pella - Pella Rd - R304 (Charel Uys Dr) - Arion Dr. - Wesfleur Cir - Current Taxi Facility
F10*	Sherwood - Atlantis Town Centre - Avondale	Sherwood Rd and Nottingham Rd - Deerlodge Rd (one-way loop clockwise) - Knysna Rd - Jonkershoek Rd - Malvern - Nottingham Rd - Sherwood Rd - Brutus Ave - Anna Ave - Wesfleur Cir - Current Taxi Facility - Meermin Rd - Palmer Ave westbound only - Grosvenor Ave southbound only - Meermin Rd northbound only (till Palmer Ave)
F11*	Saxonsea - Atlantis Town Centre - Protea Park	Kent Cr & Hermes Ave - Kent Cr anticlockwise only - Hermes Ave - Grosvenor Ave - Hoop Cr - Figilante St - Hoop Cr - Grosvenor Ave - Anna Ave - Wesfleur Cir - Current Taxi Facility - Sampson Rd - Curlew St - Magnolia St - Gardenia St - Disa St - Dahlia St - Kerria Ave - Acacia Cir - Kerria Ave - Gardenia St - Magnolia St
F12*	Atlantis Town Centre - Atlantis Industrial	Current Taxi Facility - Wesfleur Cir - Sampson Rd - Curlew St - Fiskaal St - Starling Rd - Reygersdal Dr - Bloembosch Rd (John Dreyer St) - Neil Hare Rd (anticlockwise) - John van Niekerk St (down towards Neil Hare) - Niel Hare (southbound) - William Gourlay - Turn around at Bus terminus
F13*	Duynefontein - Melkbosstrand	Atlantic Ave/ M14 - Atlantic Ave - Napoleon Ave - Narcissus Ave - M14 - Dunker St - Charles Hoff Ave - M14 - Birkenhead Dr - Waratah Ave - Turnaround on grass 'verge' on the SW Quadrant of Birkenhead/ Waratah Ave intersection
F14*	Big Bay - Bayside Centre	La Paloma & Otto du Plessis - Otto Du Plessis - M14 - Sir David Baird Dr - M14 - Blaauwberg Rd - Marine Cir - Porterfield Rd - Link Rd - Parklands Main Rd - Raats Dr - Blaauwberg Rd (turn around at Bayside)
F15*	Blouberg Sands - Parklands - Bayside Centre	Sandown Rd and Rochester Rd - Sandown Rd northbound only - Windlass Way westbound only - Port Place southbound only - Rochester Rd eastbound only - Sandown Rd - Sunningdale Dr - Humewood Dr - Ringwood Dr - Wood Dr - Study St - Pentz Dr - Raats Dr - Blaauwberg Rd (turn around at Bayside)
F16*	Blaauwberg Industria - Bayside Centre	Gie Rd Circle - Parklands Main Rd - Raats Dr - Blaauwberg Rd (turn around at Bayside)
F66*	Du Noon - Montagu Gardens	Dumani/ Waxbury intersection - Dumani Str - Mnandi Str - Ingwe Str - Ngena Str - Usasaza Str - Potsdam Rd - Killarney Rd - Killarney Ave - Potsdam Rd - Koeberg Rd - Montague Dr - Century City Bus Rank (Century Ave) - Century Ave - Bosmansdam Rd - Omuramba Rd - Omuramba/ Racecourse Rd (Closed Trunk - Feeder transfer)
F67*	Century City - Koeberg Rd - Boundary Road	Century City Rail Station - Sable Rd - Ratanga Rd - Century Boulevard - Century Avenue - Century City Bus Rank - Century Ave - Bosmansdam Rd - Koeberg Rd - Boundary Rd - Turn around in Lagoon Beach west of R27/ Boundary Rd intersection

* Tableview, Montagu Gardens and Atlantis feeders are under review and will be updated in the next progress report.

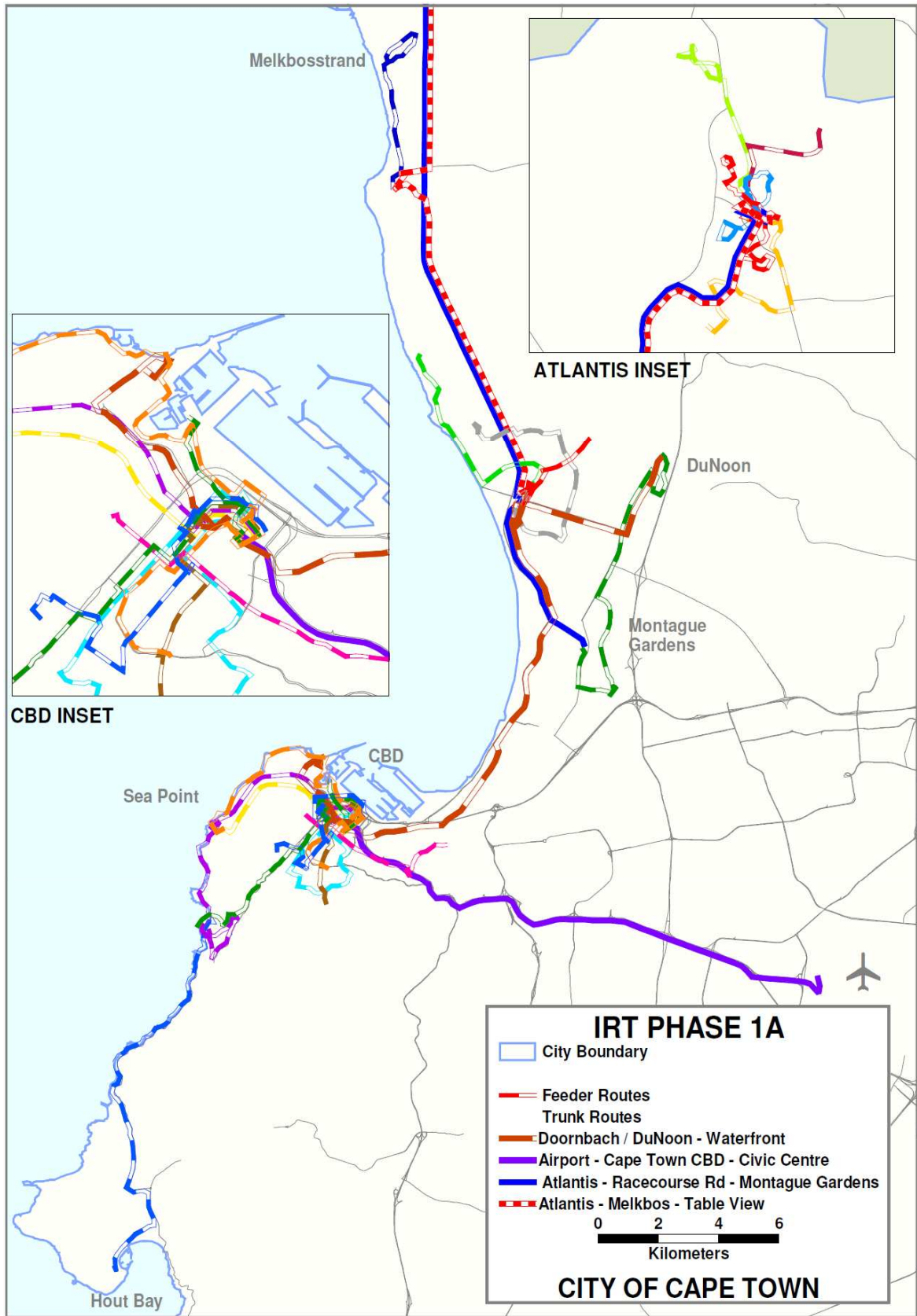




Figure 4 Original Atlantis IRT routing representation on left hand side with draft first step review on right. Further review of trunk and feeder service routing currently underway.

Annexure C Reports to Council, Mayoral Committee and Portfolio Committees

Item Number	Subject	Date
C 46/03/08	Development of an Integrated Rapid Transit system for the City of Cape Town	27-03-2008
C 75/08/08	Implementation of the Integrated Rapid Transit system for the City of Cape Town	27-08-2008
C 47/08/09	Implementation of the Integrated Rapid Transit system for the City of Cape Town: Phase 1A: funding allocation and progress report	26-08-2009
C 71/10/09	Integrated Rapid Transit project (IRT): project status and a financial & strategic assessment.	28-10-2009
C 80/11/09	Transfer of Integrated Rapid Transport project from Transport Roads and Stormwater (TRS) to Service Delivery Integration (SDI) and the transferring of certain functions of Service Delivery Integration (SDI) to other directorates	26-11-2009
C 100/11/09	Funding and budgetary provisions for basic transport requirements for the 2010 World Cup in accordance with Council recommendation c71/10/09 of 28 October 2009	26-11-2009
TRS 04/02/10 (Item 16)	Integrated Rapid Transit Project Status and Progress Report No 1, December 2009	4-02-2010
TRS 04/03/10 (Item 08)	Integrated Rapid Transit Project Status and Progress Report No 2, January 2010	4-03-2010
C 06/03/10	Tariffs for integrated rapid transit services rendered during the 2010/2011 financial year and public transport services for the 2010 FIFA World Cup and other events planned at the Cape Town Stadium during 2010/2011 financial year	31-03-2010
MC 16/03/10(Item32)	Update on negotiations and contracts related to Council decisions of 28 October 2009	16-03-2010
MC 16/3/10 (Item 59)	Tariffs for services rendered by the Transport Department for the 2010-2011 financial year	16-03-10
C 31/03/10 (Item 53)	Recommendation - Integrated Rapid Transit project: Update on negotiations and contracts related to Council decisions of	31-03-2010

Item Number	Subject	Date
	28 October 2009	
MC 29/4/10 (Item 22)	Integrated Rapid Transit Project Status and Progress Report No 3, February 2010	29-04-2010
MC 18/5/10 (Item 14)	Integrated Rapid Transit Progress Report No. 4, March 2010	18-05-10
MC 24/05/10	To obtain approval to incur additional expenditure on the Rapid Transit System (IRT) projects as a result of the latest VAT implications in the current financial year	18-05-10
C 98/05/10	To obtain approval to incur additional expenditure on the Rapid Transit System (IRT) Projects as a result of the latest VAT implications in the current financial year	25-05-2010
MC 79/05/10 C 25/05/10(Item 118)	Provision of municipal public transport services: establishment of interim operational capacity for IRT	18-05-10 25-05-2010
FIN 30/05/10 TRS 24/05/10 MC 38/07/10 C 28/07/10 (Item 64)	Report on the due diligence completed on the Integrated Rapid Transit System	3-05-2010 28-07-2010
TRS 03/06/10(Item 9) MC 08/07/10	Integrated Rapid Transit Progress Report No. 5, April 2010	3-06-2010
MC 22/07/10	Transfer of funds from EFF to State Funding – 2009/10 IRT repayment of bridging finance	07-07-2010
MC 39/07/10 C28/07/10 (Item 65)	Business Plan for Phase 1A of Cape Town's MyCiTi Integrated Rapid Transit System	15-07-2010 28-07-10
F2/08/10 (Item 13)	Authorisation for public participation process: Disposal of MyCiTi vehicles to a Financial Institution	2/08/10
Finance, Transport, Mayco, Council	Provision of municipal public transport services: expansion of existing Municipal Systems Act section 78(4) decision, regarding MyCiTiservices	
TRS 5/08/10 (Item 13) MC 17/08/10(Item15)	Integrated Rapid Transit Project: Progress Report 6 – May/June 2010	5/08/10 17/08/10
M17/08/10(Item 16)	MyCiTi proposed re-introduction of interim inner city bus service	17/08/10
M17/08/10(Item 60) C26/08/10 (Item 55)	Tariffs for MyCiTi services rendered during the 2010/2011 financial year – concessions and new services	17/08/10 26/08/10
F04/10/10 (Item 07)	Integrated Rapid Transit Project: Progress Report – July, August 2010	04/10/10

Item Number	Subject	Date
MC06/10/10 (Item 06)	Integrated Rapid Transit Project: Progress Report – July, August 2010	06/10/10
TRS 07/10/10 (Item 15)	Integrated Rapid Transit Project: Progress Report – July, August 2010	07/10/10
MC 19/10/10 (Item 48)	Business Plan for Phase 1A of Cape Town’s MyCITI IRT system	19/10/10
MC 19/10/10 (Item 49)	Establishment of an IRT Mayco Subcommittee	19/10/10

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