

CITY OF CAPE TOWN



## *Integrated Rapid Transit Project*

### **Progress Report No 6 – May & June 2010**



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## Project Status & Progress Report

**Project Name:** Integrated Rapid Transport System: Phase 1A  
**Directorate:** Transport, Roads & Major Projects  
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**Prepared By:**

Document owner(s)	Project / Organisational role
J Martheze	Acting Project Manager: IRT
D Bosch	IRT consultant
Contributing authors:	See Annexure B.

### Project Status Report Version Control

Version	Date	Author	Change description
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### 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*

Match day during a 2010 FIFA World Cup Event: Spectators moving from the Cape Town Stadium under the Western Boulevard roundabout to the *MyCITI* Stadium Station as a *MyCITI* bus passes overhead.

*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.*

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# 1. Executive summary

## 1.1. Overreview

The intention of this report, as part of a set of regular progress reports, is to provide regular updates of all aspects of the MyCiTi Integrated Rapid Transit (IRT) Project including the cost estimates, so that there can be effective oversight of the Project and that interventions where necessary can be made in good time.

The IRT Team is pleased to report that the review of the transport demand modelling and cost modelling has been completed and together with the appropriate recommendations emanating from the Due Diligence study and a revised implementation programme have been incorporated into a comprehensive second version of the Business Plan<sup>1</sup> (referred to below as 'the updated Business Plan'), as required by Council. The Business Plan will be submitted to the July meeting of Council where it will consider a recommendation to approve the plan for 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. Following the comment period the Business plan and IRT implementation plan will be amended accordingly to accommodate any relevant / appropriate comments and recommendations, and finally adopted by October 2010.

Concurrent with the Business Plan review process and in response to increased funding allocations the implementation master programme has been revised. In future monthly reports this revised plan will replace the current master programme presented in this report.

Bids have been received and are currently being evaluated for the for the appointment of a professional project management team to assist with the high level project management functions (time, cost and quality) for the continued rollout of Phase 1A and to develop a stronger "project management centered" focus leading to greater team effectiveness and performance impact.

## 1.2. Finance

The relevant reports required for consideration of future allocations in terms of DORA are being finalised and will be submitted by 30 July 2010, as required by the Act.

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 vatable and that the City will not be able to claim back any portion thereof. As a result of this approach, the rollout of phase 1(A) 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 1(A) had to be adjusted accordingly.

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 draft 2010/11 to 2012/13 Operating Budget

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<sup>1</sup> The version of the Business Plan referred to in this report is the one which was submitted to Council, dated 15 July 2010, and numbered 'Dft 5.041'.

and Capital Budget Programme is being 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.

### **1.3. MyCiTi-related 2010 World Cup transport services**

As part of the 2010 World Cup transport services which were planned to be operated over a 49 day period from Saturday 29 May 2010 to Friday 16 July 2010, the MyCiTi buses at Airport, Civic and Stadium Stations were 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 service (on match days only).

On May 29, 2010 the 2010 Transport services started at 0400 with the Inner city Loop and Airport shuttle service. While there were a number of issues relating to the delivery, registration and of the buses and a number of ongoing operational and mechanical issues the operator, manufacturer and supplier made every effort to resolve these and ensured that an effective service was provided. These issues can largely be attributed to the extremely short vehicle manufacture period, tight delivery schedule and limited opportunity for training and testing. Notwithstanding this, Transpeninsula who were appointed as the service operator did an excellent job in delivering a remarkable service.

The bus ridership (MyCiTi vehicles) on the Match Day Shuttle varied from event to event but the post peak demand was always cleared in an hour or less. Overall all the services were managed well and served the spectators and visitors without a problem. Given the limited testing and training opportunities this success can be attributed to careful planning and a commitment by all involved to ensure a well run service.

While all those involved faced and overcame many challenges and the World Cup event services have taught all a great deal on how to operate transport for events and further with regard to future MyCiTi services has helped identify areas requiring further attention.

### **1.4. Systems planning and modelling**

In response to a Council resolution (C 71/10/09) adopted in October 2009 the systems planning and modelling work stream has focused primarily on the completing a technical Audit report on Transport Demand and Cost Model and a Strategic review of Phase 1 (including Phase 1A and a starter service).

The objectives of the technical audit and review have been achieved and the model has been updated and revised to accommodate the current and future modelling requirements.

The Strategic review of Phase 1, taking into operational requirements, costs and funding availability has led to an amended roll-out plan for Phase 1A. This was done among others to minimise operating costs, maximising system coverage, maximise use of existing infrastructure and optimise fleet usage etc.

The outcome of this review has been incorporated into the revised Business Plan for Phase 1A.

The amendments to the Phase 1A services are summarised as follows:

- The extension of the trunk service extended into Montagu Gardens;
- Amended feeder services between Du Noon, Killarney and Montagu Gardens; and a new feeder service between Century City and the R27 trunk service via Bosmansdam, Koeberg and Boundary Road;
- The removal of a feeder service between Montagu Gardens and Salt River from Phase 1A;

- The removal Trunk services along Beach Road between Granger Bay and Queens Beach; and
- Minor inner city feeder improvements in Camps Bay, Hout Bay service and Tamboerskloof.

Further, the strategic review has led to a revised rollout plan for Phase 1A. The following milestones have now been programmed with the target completion date being September 2013.

- Continuation services linking the World Cup services with the IRT Milestones below
- Milestone 0: Starter Service
- Milestone 1: The addition of Inner City feeder services
- Milestone 2: The addition of the Table View feeder services
- Milestone 3: The addition of the Du Noon, Montague Gardens and Century City feeder services and interim Montague Gardens trunk service
- Milestone 4: The addition of Atlantis and Melkbosstrand trunk and feeder services
- Milestone 5: The extension of the Bayside trunk to Du Noon (done last because of the very costly and time-consuming construction required on Blaauwberg Road).

## **1.5. Communication**

The communication and marketing work stream of the IRT project focused on the following during the current reporting period:

- The launch of the MyCITi service in May with a series of media events and tours: This included organizing and hosting organised an IRT Station Tour event earlier that month which including a cocktail function thereafter. Members of the Transport Portfolio Committee at National Parliament, the Deputy Minister of Transport, the Mayoral Committee Members, City of Cape Town Transport, Roads and Major Projects Portfolio Committee, external stakeholders, Project Team and media participated in this important launch event.
- IRT communication around the 2010 World Cup Transport Service: This included press releases and direct engagement with the media, the production and distribution of pamphlets and posters, mapwork and the promotion of events such as the MyCITi "Free Fridays" which resulted in a significant increase in usage on these free travel days.
- Ongoing Operational communication with the public about times, tariffs, services, etc and traffic disruptions related to IRT construction.

## **1.6. Business plan**

During May and June, in parallel with the work in support of the 2010 World Cup transport services, the Business Plan team lead the process towards the finalisation of the updated Business Plan, aimed to be submitted to Council in July. This process is referred to in the rest of this executive summary, where relevant.

## **1.7. Developments regarding the minibus-taxi and bus industry**

During June an update and briefing was done to the Bus and Minibus Taxi Steering Committee, representing the directly affected operators in Phase 1A. In-depth discussions 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.

### 1.8. Infrastructure

The 2010 WC stations at Airport, Stadium and Civic Centre are complete and have been handed over by the contractors to the City. Work has also been progressing on the outer stations and bus ways. Construction is generally on programme. One contract is running behind schedule and this will be addressed within the prescripts of the contract.

The progress of the various contracts is set out in detail in Chapter 6 and a summary of the progress along the CBD-R27-Tableview corridor is schematically presented in Figure 1 below.

The works required to finalise accommodation for vehicles operations (servicing, fuelling and staging) at the Inner City Depot and the Foreshore Staging area was completed just in time to meet the needs of the 2010 World Cup MyCiTi services. Further planned work at the Depot is still to be undertaken.

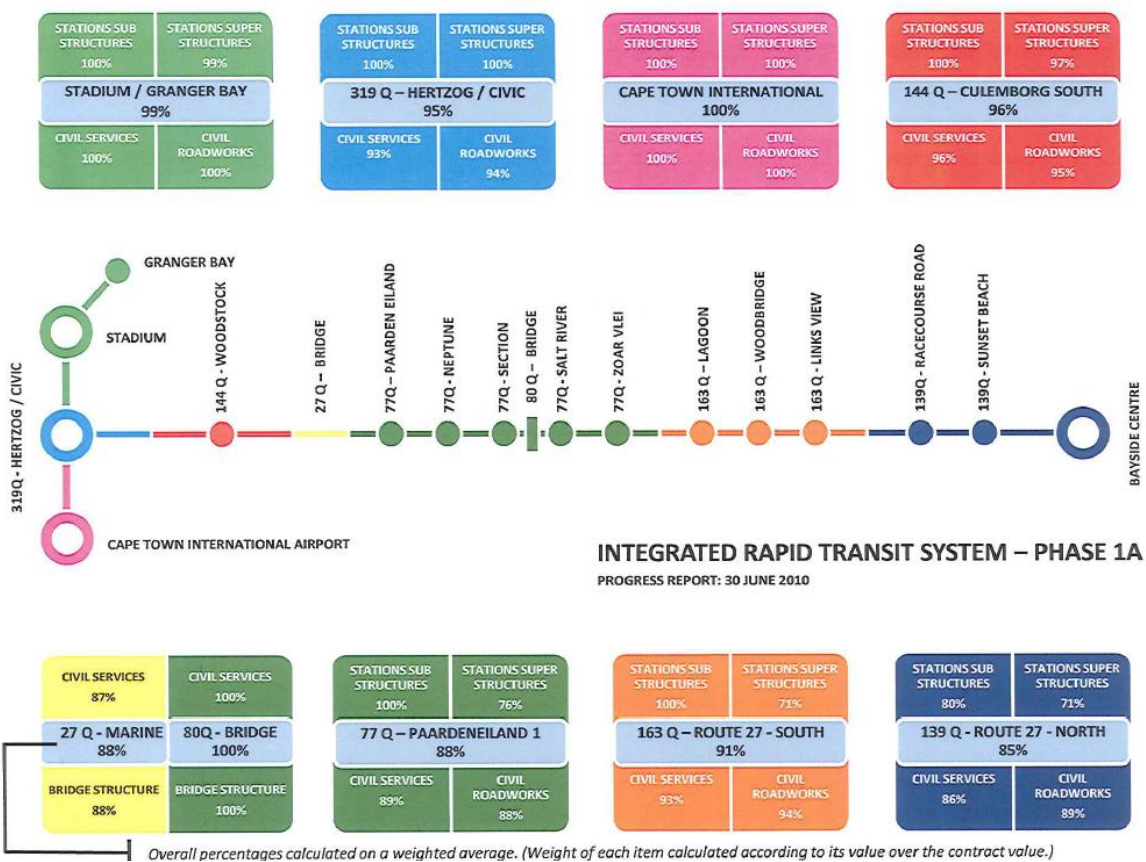


Figure 1. Progress regarding implementation of infrastructure on CBD-Tableview corridor

### 1.9. Vehicle procurement

The City has taken delivery of all 18m articulated IRT trunk service and 12m trunk service which it ordered from Volvo: 43 vehicles in total. All vehicles have been placed in service and are being operated by Transpeninsula (Pty) Ltd on the City’s behalf. A number of snags were identified and the supplier Volvo SA (Pty) Ltd and their body builder, Marcopolo have been attending to these.

Delays in delivery occurred primarily due to the Transnet strike (force majeure) and delays in the homologation and licensing of the vehicle. Notwithstanding the impact on 2010 World Cup event services was negligible, partially due to efforts by Transpeninsula. The delays did however impact on the driver training.

The *MyCITI* branding and vehicle livery has been applied to all vehicles with the exception of the two prototype vehicles which were completed before the finalization of the MyCITI brand – which was subsequently covered by wrap-around advertising during the World Cup period.

### 1.10. Salient IRT project information: Phase 1A<sup>2</sup>

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
<b>Costs of implementing Phase 1A</b>	
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 <sup>3</sup>
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 <sup>4</sup>	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> ) <sup>5</sup>	R 116 million pa
Expenditure 2008/09 FY	R 248 million
Total expenditure to date 2008/09 FY and 2009/10 FY on SAP as at 2010-07-11	R 1 054 million
Projected total expenditure to end of the 2009/10 FY	R 1 060 million
Available assured funding from City and National received to date ( <i>This does not include the R 288 million made available by the City to bridge the gap between the City and National financial years to be recovered from the National PTI&amp;S Grant after approval by Council in July 2010</i> )	R 1 360 million
Estimated future expenditure for implementing Phase 1A ( <i>for the remainder of the 2009/10 FY and the 2010/11, 2011/12, 2012/13 and 2013/14 FY's but excluding annual running cost</i> )	R 3 542 million
Total indicative PTIS funding from National in the 2010/11 to 2012/13 financial years	R 3 350 million <sup>6</sup>
Estimated total project system cost of implementing Phase 1A	R4 596 million

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> Explained in par 9.4 of the updated Business Plan, amounting to between R30 m and R 39.6m pa.

<sup>5</sup> This represents midway between the optimistic and pessimistic projections of operating costs as set out in par 9.5 of the updated Business Plan.

<sup>6</sup> 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 will be made in terms of the PTI&SG funding framework to address the project's overall funding requirements.

**Note on project cost estimates**

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.<sup>7</sup> 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.

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Mike Marsden

23 July 2010

Executive Director Transport Roads and Major Projects.

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<sup>7</sup> 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. Key project activities**

#### **2.1.1. Business Plan Review**

The revision of the IRT Business Plan (described in Chapter 4) has been completed and has taken into account the findings of the limited Due Diligence study, the revised budget (DORA) allocations, project priorities and future operating cost implications. This updated business plan is to serve before Council's political structures for approval.

#### **2.1.2. System Transport Demand and Cost Modelling Review**

An audit and review of the system travel demand and cost model has been completed (described in Chapter 5). The updated results of this modelling have been incorporated into the revised business plan and project programme.

#### **2.1.3. Project Master Programme Update**

Concurrent with the Business Plan review and the Transport Demand & Cost Model review the Phase 1A Master Programme has been updated. This programme which is integral to the revised Financial Plan will replace the existing master plan once the Business Plan has been approved by Council.

#### **2.1.4. Due Diligence Report**

A report on the outcomes of the Due Diligence has served Finance and Transport, Roads and Major Projects Portfolio Committees and MAYCO/Council. The IRT Team has worked through all the recommendations made in the Due Diligence Report and where appropriate these recommendations have incorporated into the IRT Business Plan revision.

#### **2.1.5. VAT on Infrastructure**

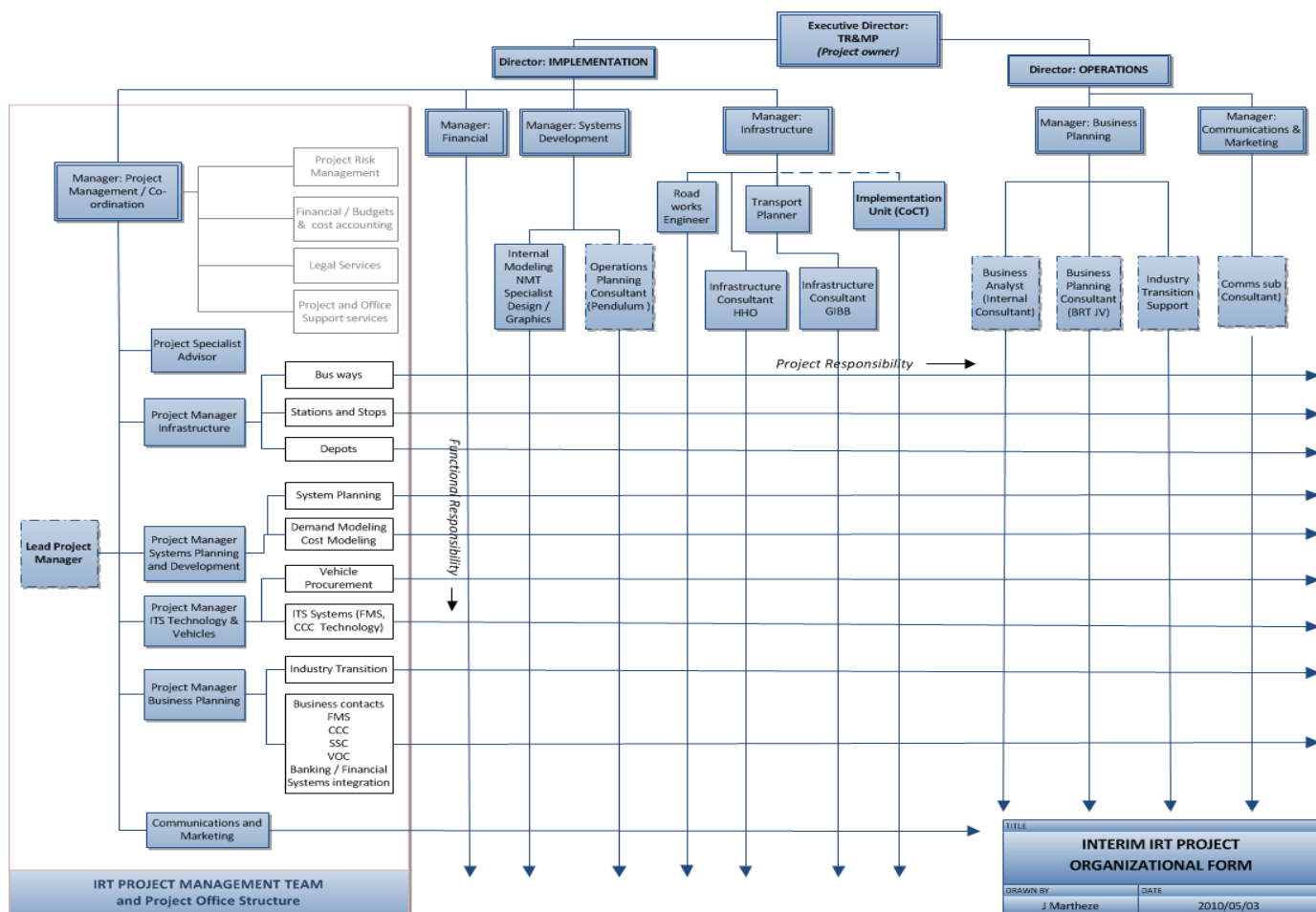
SARS has notified the City that any infrastructure purely used for the transport of fare paying passengers is to be considered as VAT exempt. At the request of SARS the City is trying to determine if there is any percentage of the construction that could be applied consistently for all operations to take into consideration the split between zero-rated and VAT exempt portions of contracts and until such time as there is evidence to support such a consistent percentage and the necessary approvals from SARS have been obtained, the City will continue to determine the VAT payment due on a monthly basis.

### **2.2. Project management**

#### **2.2.1. IRT Operations and IRT Implementation Integration**

Given the pending appointments of the Director: IRT Operations and the Director: IRT Implementation (Development) consideration is being given to the internal structures required to ensure the ongoing / seamless integration of the functions of the two Departments. Similar 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 structure towards a secondment matrix (PMBOK) structure – i.e. stronger project management power, leading to greater



team effectiveness and performance impact. (See graphic below.)

## 2.2.2. Appointment of a Professional Project Management Team

To improve overall project management effectiveness the services a professional project management team is being sought. Bids have been received and are currently being evaluated for the for the appointment of a professional project management team to assist with the high level project management functions (time, cost and quality) for the continued rollout of Phase 1A.

## 2.2.3. Master project programme (Programme and Monitoring)

The master programme (High level Gantt Chart) **for infrastructure components** of Financial Scenario 1 is provided on the following pages.

Financial Scenario 1 refers to the financial scenario for rollout of the IRT as adopted by Council in October 2009, based on a very cautious approach in terms of which funds are committed only when secured. This programme is currently under review (as part of the Business Plan review and IRT System strategic review processes) and will we updated once complete.

The Gantt Charts provided below provide information that primarily relate to the infrastructure work streams. The charts indicate progress as at 31 May 2010.

## **3. Project financial management**

*This chapter should be read with Chapter 9 of the updated Business Plan, submitted to Council in July 2010, which updates some of this information.*

### **3.1. Introduction**

Due to the fact that the IRT Project Office has not been fully staffed as yet, the responsibility for financial management and budgetary control cannot be assigned to a dedicated individual. The staffing of the IRT Project Office will not only provide the resources for proper financial management, but will also assist in assigning responsibilities to the stream leaders who can be held accountable.

The South African Revenue Services (SARS) is busy with a fact finding mission to determine the treatment of Vat for the IRT System implemented nationally. Given these latest developments, we have adopted a conservative approach by assuming that all expenditure, past present and future, will be vat-able and that the City will not be able to claim back any portion thereof. An investigation is currently underway to determine the split between exclusively IRT related infrastructure and infrastructure which are normally associated with public transport in general. This split (apportionment rate) will then be utilised to motivate that not all IRT related infrastructure are for the exclusive use of fare-paying passengers.

As a result of this approach, the rollout of phase 1(A) had to be adjusted, cost estimates are currently being scrutinised and value engineering will be enforced, where possible, to drive down cost. The impact of the Vat payable on phase 1(A) will be initially absorbed within the total quantum of phase 1(A) until a tax directive on the implementation of the IRT System has been received from SARS and the apportionment rate can be applied to claim back Vat.

### **3.2. Budget, funding and expenditure authority**

#### **3.2.1. Operating**

Council's 2009/10 Adjustments Budget served before Council on the 27th of January 2010. Included in this Budget was a budgetary provision of R 30 m (million) for the establishment of an IRT Project Office. The establishment of an IRT Project Office is now underway by particularly determining the staffing requirements, equipment, accommodation etc.

Budgetary provision for Grant Funded Operating projects, associated with the various streams within the IRT project, was also amended from R 53 m to R 92 m, based on the recent financial review of Phase 1A. The reason for this increase is due to the fact that more information on systems planning, operations and business planning are becoming clearer as the project progresses.

The draft 2010/11 to 2012/13 Operating Budget will be amended to reflect the latest position reflected in the Division of Revenue Act (DoRA) as well as the latest stance adopted on the treatment of Vat within the IRT System.

#### **3.2.2. 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. These changes have been incorporated into the 2009/10 Adjustments Budget that served before Council at the end of January 2010, and the Draft 2010/11 to 2012/13 Capital Budget Programme serving before Council at the end of March 2010.

The draft 2010/11 to 2012/13 Capital Budget Programme have been amended to reflect the latest position reflected in the DoRA as well as the latest stance adopted on the treatment of Vat within the IRT System.

### 3.3. Projected Costs: Phase 1A

Projected capital and operating costs required for the implementation of Phase 1A of the IRT System are presented in Table 3.1 below. These costs are prior to the latest developments surrounding Vat. As was previously mentioned in this report, the impact of the Vat will have to be absorbed, as far as possible within the total quantum of phase 1(A). The costs below also exclude any system operating deficit that may accrue during the ongoing service operations.

**Table 3.1: Projected Costs Phase 1A**

	Capital	Operating	Total
2009/10 Estimated Requirement	787,309,723	122,807,234	910,116,957
2009/10 Available Funding	490,903,965	92,807,234	583,711,199
2009/10 Total Estimated Shortfall	(292,405,758)	(16,000,000)	(308,405,758)
To be funded ex EFF bridging funding	288,405,758		288,405,758
To be funded ex Rates	4,000,000	30,000,000	34,000,000
Total Further Estimated Requirements for Phase 1A	2,489,973,105	660,238,037	3,150,211,142
Estimated balance of commitments already entered into	172,416,497	39,424,734	211,841,231
Further Estimated Requirements for Phase 1A	2,317,556,608	620,813,303	2,938,369,911
<u>Note:</u>			
Expenditure 08/09	248,413,879		
Estimated Expenditure 09/10	910,116,957		
Estimated Future Expenditure	3,150,211,142		
<b>Total Estimated Cost for Phase 1A to 2013/14</b>	<b>4,308,741,978</b>		

### 3.4. Expenditure: Capital and operating

#### 3.4.1. Progressive Capital Expenditure Report for 2008/09 and 2009/10

Table 3.2 represents all the capital projects associated with the IRT system since the date of inception. Individual projects are grouped according to their funding sources and reflects the percentage spend to date compared to the approved budget. Expenditure for the 2009/10 financial year is currently at 64.5%.

**Table 3.2: 2008/2009 & 2009/2010 (April '10) Capital Projects – INTEGRATED RAPID TRANSIT SYSTEM**  
**2008/2009 & 2009/2010 (June '10) Capital Projects - INTEGRATED RAPID TRANSIT SYSTEM**

Category	WBS	Project Description	2008/2009			2009/2010		
			Current Budget	Actual	% Spend	Current Budget	Actual	% Spend
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	-	-		-	-	
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%
NG DOT PTI&SG	C09.00499-F1	IRT:WestCoastCorridor:PTIF	90 000 000	89 999 969	100.0%	-	-	
NG DOT PTI&SG	C09.00500-F1	IRT:AirportService:PTIF	2 000 000	2 000 000		-	-	
NG DOT PTI&SG	C09.00501-F1	IRT:PropertyAcquisition:PTIF	-	-		-	-	
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	49 929 877	96.1%
NG DOT PTI&SG	C10.10350-F1	IRT:InnerCityService:PTIF	-	-		10 000 000	9 463 641	94.6%
NG DOT PTI&SG	C10.10542-F1	IRT:AirportService:PTIF	-	-		6 000 000	6 000 000	100.0%
NG DOT PTI&SG	C10.10581-F1	IRT:Public Trsprt&Bus Upgr on Corr:	-	-		2 000 000	1 677 149	83.9%
NG DOT PTI&SG	C10.10582-F1	IRT:IntegratedFareManagement System	-	-		13 295 117	10 833 656	81.5%
<b>Total NG DOT PTI&amp;SG</b>			<b>180 300 000</b>	<b>179 685 220</b>	<b>99.7%</b>	<b>159 754 281</b>	<b>141 810 183</b>	<b>88.8%</b>
CRR BRT System	C09.00313-F2	IRT:Integr Rapid Transit Syst(Ph1A)	-	-		66 682 409	64 453 192	96.7%
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:PropertyAcquisition:CRR	-	-		50 177 314	50 177 314	100.0%
CRR BRT System	C09.00498-F2	IRT:VehicleAcquisition:CRR	-	-		25 000 000	23 260 345	
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	40 676 371	90.4%
CRR BRT System	C10.10582-F2	IRT:IntegratedFareManagement System	-	-		7 704 883	1 677 149	21.8%
<b>Total CRR BRT System</b>			<b>45 000 000</b>	<b>43 860 316</b>	<b>97.5%</b>	<b>331 149 684</b>	<b>316 828 050</b>	<b>95.7%</b>
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:WestCoastCorridor:EFF	-	-		368 405 758	324 691 267	88.1%
F	C10.10112-F1	IRT: Project Office	-	-		4 000 000	322 092	8.1%
<b>Total EFF</b>			<b>247 529</b>	<b>247 529</b>	<b>100.0%</b>	<b>372 405 758</b>	<b>325 013 359</b>	<b>87.3%</b>
			<b>225 547 529</b>	<b>223 793 065</b>	<b>99.2%</b>	<b>863 309 723</b>	<b>783 651 592</b>	<b>90.8%</b>

### 3.4.2. Expenditure report for grant funded operating projects

Table 3.3 reflects all operating expenditure, funded from grant funding, relating to the IRT project. Individual projects are grouped according to their specific area and relates to the procurement of external service provider. The expenditure report reflects the percentage spend (21.1%) to date compared to the approved budget, which was amended during the Adjustments Budget process at the end of January.

**Table 3.3: IRT grant funded projects: Expenditure to April 2010**

#### 2008/2009 & 2009/2010 (June '10) Grant Funded Projects - INTEGRATED RAPID TRANSIT SYSTEM

Category	WBS	Project Description	2008/2009			2009/2010		
			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	10 698 184	113.7%
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%
<b>Total NG DOT PTI&amp;SG</b>			<b>57 130 000</b>	<b>21 868 342</b>	<b>38.3%</b>	<b>92 807 235</b>	<b>22 188 999</b>	<b>23.9%</b>

<b>57 130 000</b>	<b>21 868 342</b>	<b>38.3%</b>	<b>92 807 235</b>	<b>22 188 999</b>	<b>23.9%</b>
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### 3.5. Future funding (DORA Allocations)

Table 3.4 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, however the payment schedule from National Treasury, indicating when these funds will be paid to the City, is still outstanding. 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)**

2010/11		2011/12		2012/13
Previous DoRA	2010 DORA	Previous DoRA	2010 DORA	2010 DORA
R 647 m	R 850 m	R 800 m	R 1,600 m	R 900 m

### 3.6. Progress with ring-fencing IRT project finance

All the IRT projects, both capital and operating, and the cost and profit centres associated with the IRT project, have been re-aligned to the IRT Project Office. New cost and profit centres were also created to reflect the latest organizational structure for the IRT Project Office.

## 4. Business development and IRT operations

### 4.1. Previously reported

The **first monthly IRT Status and Progress Report** (December 2009) provided a description of the various components of the business plan and how these components are proposed to work together. That detail is not repeated here, but a summary is provided below.

The above report highlighted the status of each component and the progress to date made in terms of the implementation programme. It explained how the management of operations lies at the strategic centre of the system and that this function will initially be performed by an IRT Operational Management Unit that will manage the 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. This contract was put out to tender in mid-2009 but its award has been delayed until sufficient funds are available.
- 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. This service was put out to tender in mid-2009 but its awarding has also been delayed until sufficient funds are available.
- 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. An initial prospectus for these services has been completed but the tender documents still need to be drafted.
- 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.

In the **subsequent monthly Progress Reports** we reported on the broader set of areas of progress regarding the business plan, and provided a summary reflecting on the work of the business plan joint venture. This JV was appointed in June 2008 to assist in the development of business plan components of the IRT project. The contract provider, referred to as the Business Plan Joint Venture, comprises the local professional teams of Hunter van Ryneveld, Webber Wentzel, Axios Consulting, and String Communications, as well as international consultants from Brazil, Colombia and the United States who have worked on BRT projects across the world, including Logit, GSD and the Institute for Transportation and Development Policy. The scope of their appointment includes the following: business structure, an institutional plan, refinement of operating cost model, an industry transition strategy, specific operator contracts, a marketing plan, running limited public participation processes, a financing plan and project management in this regard.

Progress in other areas related to the business plan was also reported on. These included: (a) Setting up 2010 World Cup vehicle operating company, (b) the process regarding contracts proposed to run for more than three years in terms of section 33 of the MFMA, and (c) advertising on the vehicles and stations.

In this **sixth progress report** we focus on the following areas where progress has been achieved subsequent to the previous progress reports.

## **4.2. Progress regarding the review of the Business Plan**

The revision of the IRT Business Plan has been completed and presented at a joint workshop of the Transport Roads and Major Projects and Finance portfolio committees. It was also submitted to Mayco and Council for consideration during meetings in July 2010. Subject to Council approval, it is the intention to (a) submit the Business Plan to National Department of Transport (NDOT) and National Treasury (NT) for consideration of future years funding and to confirm the funding allocations of future years of the PTISG in terms of section 8(4) of the Division of Revenue Act (DORA), and (b) make the document available for public comment. Based on the comment received from the public, NDOT and National Treasury, an amended Business Plan would be submitted to Council as soon as possible but no later than October 2010 for consideration and approval.

### **4.2.1. Overview**

All the issues highlighted in the Due Diligence exercise as well as the issues giving rise to the need for a review and reassessment have now been attended to and dealt with in the Business Plan. These include (a) vehicle ownership, (b) compensation, (c) operating deficit, (d) transferring the portion of the existing "GABS" subsidy replaced by IRT, and (e) earliest introduction of a starter service to utilize the infrastructure available.

One of the key challenges is to determine the most appropriate rollout sequence of the Phase 1A over the next three to four years and to minimise the operating deficit without unduly compromising the quality of the service for both the rollout and full Phase 1A.

### **4.2.2. Financial scenario planning**

A detailed exercise of financial scenario planning, involving all work streams, has been undertaken. This has resulted in a draft rollout plan, which formed the basis of the MyCiti Business Plan. This will kept up to date over time.

This planning was based in the following conservative assumptions, agreed to by the Finance Department:

- Committing future funds: It is assumed that National Treasury will approve by September 2010 all the IRT's transport-related capital projects in terms of s 8(4) of DORA planned for 2011/12 and 2012/13, and that the City will meet all other DORA conditions regarding IRT. It is therefore assumed that the allocations for these two financial years will be rendered firm, and thus allowing the City to commit such future funds from the date of such approval.
- Spending: it is assumed that the project can only spend financial funds within the financial year for which it has been budgeted and for which funding has been provided – ie that no prolonged borrowing is needed; that national will pay over funds in tranches that are fully frontloaded based on IRT cash flow projections; and that the date of the payment of the first tranche will be 1 May each year.
- VAT: It is assumed that capital costs are divided into those for infrastructure that will be used exclusively for public transport (VAT-exempt) and those for mixed use (Zero-rated); and that the ratio between these two (for planning purposes) will be considered as follows:
  1. regarding busways, is 62 % of the total contract amount are for exclusive infrastructure; and
  2. regarding station superstructures or other public transport-exclusive infrastructure, 100% is is considered as exclusive infrastructure.

There is obviously a risk that these assumptions are not met. To address such eventuality it is planned to develop a hyper-conservative scenario, once the tender for project management services is awarded.

### 4.2.3. Financing plan

Further work on the financing plan for the IRT, that fed into the Business Plan, was undertaken. This included the following:

- Ongoing engagement with national government to enable PTISG to be allowed to be used for transition costs, including interim operating subsidies. This principle has now been confirmed in writing by NDOT.
- A conclusion was reached on an optimal ownership approach for vehicles and staff from National Treasury indicated that this approach is likely to be met with approval.

The Business Plan Joint venture provided the following additional input and support:

- Ongoing engagement with the Development Bank of South Africa, National Treasury, NDOT and Financial and Fiscal Commission (FFC) on a long term funding approach regarding BRT-related public transport. This included an independent report to the FFC, which lead to the adoption of recommendations by the FFC regarding its annual submission to Parliament.
- Completion of value capture report.
- Significant progress was made regarding NT support for favourable revision to the VAT situation regarding public transport-related infrastructure.

## 4.3. Developments regarding the minibus-taxi and bus industry

### 4.3.1. 2010-related services

At the time of writing of the previous progress report the City was on the verge of concluding an agreement with the minibus-taxi industry to guarantee the provision of minibus-taxi services to and from the PVA's, 26 rail stations and the Fan Fest (CBD) during the World Cup period. Initially the proposal included the provision of a total of 640 taxis per day for the 13 main World Cup event days, at an average rate of R300 per taxi per night, amounting to a total cost of R3.4 million including staff costs and a 20% management fee.

After further negotiations with the taxi industry, and in consultation with MEC Carlisle, it was agreed to provide the services serving the FanFest for the full 31 days, increasing the total cost of the contract to R5.8 million. This included two additional services, namely shuttle services from the Park & Ride at Ratanga to the new Century City rail station, as well as the service of transporting the 2010 volunteers home at night.

The City entered into an agreement with the Western Cape Provincial Taxi Council, through The transport discipline Joint Venture for the Host City 2010 Transport Operational Plan ('the 2010 Joint Venture'). The Taxi Council had formed a steering committee of 12 members to oversee the delivery of the services in terms of the contract. The 2010 Joint Venture was appointed to administer and monitoring compliance to the contract. Chapter 10 provides a detailed report on the actual services provided.

### 4.3.2. Regarding industry transition related to the IRT

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 are now ready to proceed with the formation of companies at an association level before forming the IRT vehicle operator company.

During June a update and briefing was done to the Bus and Minibus Taxi Steering Committee, representing all directly affected operators in Phase 1A. In-depth discussions with both Company A and B representatives will restart as soon as the IRT Business Plan is approved by Council.

#### **4.4. 2010 World Cup vehicle operating company**

As in previous reporting periods, the IRT team provided extensive support to the 2010 team regarding the required 2010 transport services.

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. Although many challenges were faced in getting all the vehicles licensed in time, all the vehicles were eventually licensed after special efforts by all relevant officials.

For more details, see paragraph 10.4.

#### **4.5. Advertising**

After an initial tender and subsequent call for proposals process, the contract for the buses (inside and outside) was awarded to Provantage at a tendered price of R1.55m and the contract for the inside of the three IRT stations to Tractor Outdoor at a tendered price of R135,000 (excl VAT). All the vehicles were eventually wrapped in advertising although the opportunity to advertise inside the vehicle was not taken up. The uptake of advertising at the stations was a bit slow and only materialised midway through the World Cup period.

#### **4.6. 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 has not yet been secured. Whilst provision is made on the IRT organogram (see Chapter 8) for this, the immediate short term needs will again have to be provided by staff with other responsibilities.

#### **4.7. 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.

The decision to initially undertake the function internally before transferring to the Municipal Entity is not in conflict with the Council decision to the external mechanism route. Undertaking the management function internally still means that contract would be awarded to external service providers. The City would therefore not directly employ its own drivers or staff to provide these services. However, the City may provide limited services (not for prolonged periods) by an internal mechanism to reduce the risk associated with the negotiation process with current operators for the initial services as well as to provide for possible defaulting on service delivery by future appointed operators.

## 5. Systems planning and modelling

*Note: This workstream was previously referred to as "operational planning".*

### 5.1. Introduction

This Chapter starts with a short discussion of the 2010 World Cup transport services, comparing it to the intended IRT services.

In October 2009 Council resolved (C 71/10/09) to adopt a number of recommendations pertaining to the project that have a significant implication on the operational / system planning and modelling programme. This chapter addresses the progress made in addressing these which include inter alia:

- Preparation of a Technical Audit report on Transport demand and cost model;
- A Strategic review of Phase 1 (including Phase 1A and starter service);
- A Strategic review of Phase 2;
- The identification of additional resources required to enhance capacity (internal and external) within system planning and modelling domain.

### 5.2. 2010 World Cup period and interim services

To meet the requirements for the World Cup, the City entered into a contract with operators to provide services prior to the start of IRT – see Table 4. Some of these services were provided using *MyCITI* buses and stations. The World Cup Period is divided into three periods: the period for test events, the 'World Cup peak period' from 29 May to 16 July 2010 and a 'continuation period' from 17 July until 31 October 2010. The airport service, the Civic Centre station to Stadium shuttle and the Inner City service used the new *MyCITI* fleet of 8 x 18m, 28 x 12m standard and 7 specially configured airport vehicles.

It is envisaged that the airport trunk service will continue after the World Cup period, using mainly 12m vehicles, ideally until *MyCITI* begins its services proper, and thereafter will operate as part of the Phase 1A contract. Special shuttle services between the city centre and the stadium will continue for large events at the stadium after the World Cup tournament is over.

The Inner City service, implemented during the World Cup Peak Period, was designed as an event service around the fan park, fan mile, event road closures and tourist destinations, to augment the existing inner public transport services as required by the Stadium Record of Decision and FIFA Agreement. In addition the fare for the Inner City Loop was set at R8 so as to avoid competition with the existing services which charges lower fares (R5) in order to avoid unnecessary conflict and legal difficulties. This service was not designed for and does not adequately meet normal (post- World Cup period) commuter or other trip purposes which explains the current low patronage.

When the *MyCITI* inner-city feeder services are implemented, this route will be replaced by a more appropriate one tailored to meet customer demands.

For the reasons stated above it would be in the City's best interest to discontinue the existing loop service and amend to a more suitable route that covers the necessary destinations, aligns with future IRT inner city routings, minimally impacts on existing services and at a more affordable fare. To achieve this, an amended tariff report is required, infrastructure (bus stops and signage) requirements need to be finalized, engagement with current operators and developers such as the V&A Waterfront needs to be finalized, and the proposed new service marketed. It is therefore proposed that the revised inner city service be introduced in September 2010 which could continue until the IRT inner city feeders are implemented in Milestone 1.

**Table 1. Limited MyCITI Services prior to start of IRT**

Period	Services
Test events	<ul style="list-style-type: none"> <li>▪ Test event services prior to the World Cup</li> </ul>
World Cup Peak Period (29/05/10 – 17/07/10)	<ul style="list-style-type: none"> <li>▪ MyCITI Civic – Stadium Shuttle (just event days)</li> <li>▪ MyCITI Airport to CBD trunk service</li> <li>▪ MyCITI Inner City loop service</li> <li>▪ Services using hired buses:               <ul style="list-style-type: none"> <li>▪ 1. Hout Bay – CBD (just event days)</li> <li>▪ 2. Queens Beach to CBD</li> <li>▪ 3. UCT Park &amp; Ride (just event days)</li> </ul> </li> </ul>
Continuation Period 1 (18/07/10 – 31/08/10)	<ul style="list-style-type: none"> <li>▪ MyCITI Airport to CBD trunk service</li> </ul>
Continuation Period 2 (01/09/10 – 30/10/10)	To be determined, but probably the following services <ul style="list-style-type: none"> <li>• MyCITI Airport to CBD trunk service</li> <li>• MyCITI Amended Inner City loop service</li> </ul>
Continuation Period 3 (1/11/10 until MyCITI Starter Service – see Milestone 0 above)	To be determine, but possible the same as during Continuation Period 2, subject to appropriate steps in terms of the City's procurement rules.

### 5.3. Technical audit report on transport demand and cost model

In Progress Report 4, this matter has been addressed. In summary, the objectives of the technical audit and review were all achieved and the model has been amended for the current and future modelling work.

### 5.4. A strategic review of Phase 1 (including Phase 1A and Starter Service)

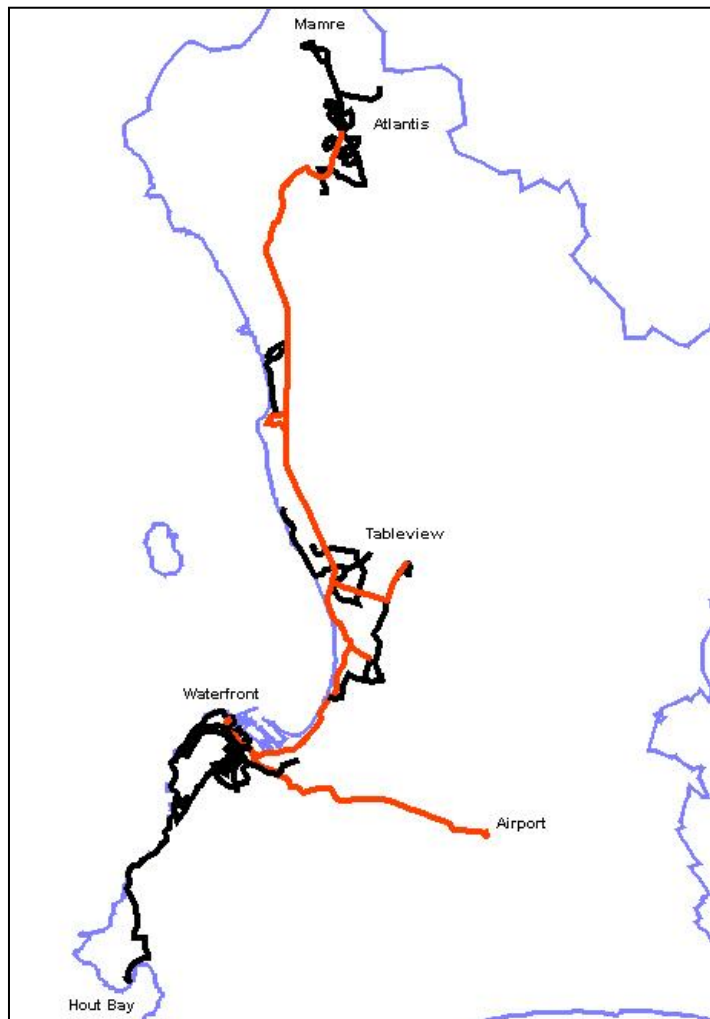
The following key objectives has been established for the review of Phase 1, namely

- Optimise balance between quality and affordability
- Maximise use of current committed infrastructure
- Optimise the use the current ordered fleet
- Minimise system operational deficit
- Maximise System coverage
- Value Engineering
- Minimise negative impact on existing service.
- Maintain IRT ideals

The IRT technical team has produced an amended plan for Phase 1A. This plan is shown in the figure below:

The significant amendments to the services are summarised as follows:

- **New service:** Trunk service extended into Montagu Gardens by providing a short link to the R27 via Racecourse Road
- **Amended service:** Feeder service amended between Du Noon, Killarney and Montagu Gardens. This feeder will also distribute from the new trunk in Montagu Gardens. The previous feeder linked Bayside to Montague Gardens.
- **New service:** Feeder service introduced from Century City via Bosmansdam, Koeberg and Boundary Road to the R27 trunk service.
- **Removed service:** Feeder service from Montagu Gardens via Koeberg Road, Voortrekker Rd to Salt River Circle has been removed from Phase 1A.
- **Amended service:** Trunks along Beach Road between Granger Bay and Queens Beach Circle to be removed. These Phase 1A trunks to terminate in the Waterfront via Granger Bay.
- **Amended service:** Minor inner city feeder improvements in Camps Bay, Hout Bay service and Tamboerskloof.



#### 5.4.1. Implementation rollout of Phase 1A

Rollout towards this Phase 1A plan was investigated and assessed according to the following criteria:

- Cash flow
- Minimise operational deficit
- Minimise impacts on users
- Impacts on existing services
- Maximise use of committed infrastructure & vehicles.
- System efficiency (logical packages)
- System continuity

- Value Engineering.

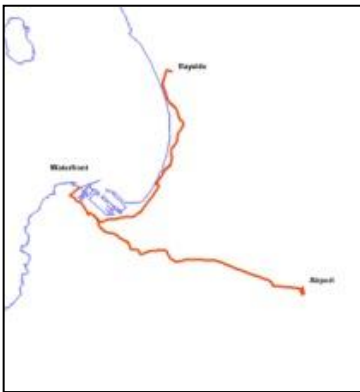
The implementation of Phase 1A must be matched to available funding. This means that services will be implemented as the funding for infrastructure, vehicles and other items necessary to operate the system becomes available. The funding is assumed to be made available in tranches over a number of years.

The cost of items required for Phase 1A to be operational has been estimated and grouped in a number of packages that make up the building blocks for implementing the *MyCiti* system. These packages have been combined in a number of different sequences to create operational milestones for Phase 1A. The implications of each sequence on the duration of rollout, implications on existing services and company formation, system legibility and costs, among other matters, have been assessed and discussed in detail. Technically, the system operates optimally as a network of routes, which ideally should be implemented together. Unfortunately, due to funding constraints, this is not possible.

The overriding factor in the proposed rollout sequence was how quickly the main components of the Phase 1A network could be implemented. This sequence permits the greatest coverage in the shortest time, based on a preliminary exercise of matching the costs with the funding timeframes.

The proposed sequence of rollout is as follows:

### Milestone 0: Starter Service



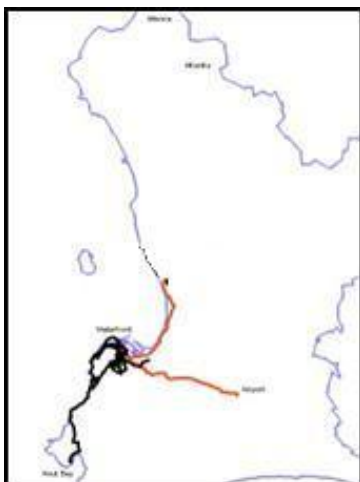
This is the first stage of *MyCiti* 'proper' and will consist of two trunk routes:

- Airport to CBD (T02a): This is a continuation of the World Cup period service. The route will be extended from the Civic Centre Station, where it currently ends, to the Waterfront via Granger Bay Boulevard. The Waterfront end has not been finalised but interim measures will be put in place until a trunk station is built there.
- Bayside to CBD (T01): This new service will make use of the predominantly dedicated route along the R27.

These services will operate as planned and designed, using the correct designated fleet, stations and routes and with the support of the Automatic Fare Collection, Control Centre and Station Services contracts. The existing services that will be affected by this service have been identified and an estimate has been generated for the annual operating costs of this service.

This target date for this milestone is the end of January 2011.

### Milestone 1: The addition of Inner City feeder services



This milestone sees the addition of all the feeder routes in the Inner City from the foreshore to Hout Bay (F00-F07 & F65). These feeder routes will be supported by the Inner City depot and feeder stops, including five closed feeder-to-feeder stations. These routes will make use of 12m and 8,8m vehicles.

The annual operating costs of this service have not been modelled at this stage.

The Inner City feeder services, excluding the closed feeder stations, can be ready for operation by October 2011. The Inner City closed feeder stations are planned for completion by April 2012. The closed feeder stations provide additional convenience, safety and customer fare benefits, but the services can be operated ahead of completion.

## Milestone 2: The addition of the Table View feeder services

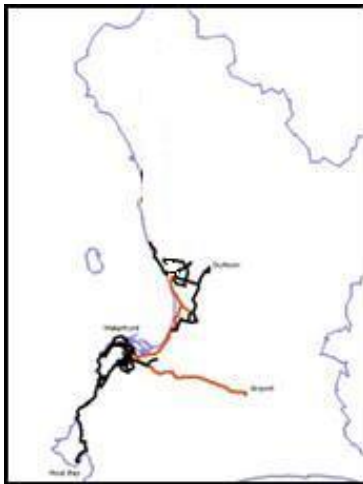


This milestone completes the system network between Table View and Cape Town. It provides three feeder routes (F14 – F16) in Table View to serve the R27 trunk and provide a distribution service within Table View. It is anticipated that these routes will use 12m vehicles, staged at the new Stables Depot off Potsdam Road.

The annual operating costs of this service have not been modelled at this stage.

The target date for this milestone is November 2011.

## Milestone 3: The addition of the Du Noon, Montague Gardens and Century City feeder services and interim Montague Gardens trunk service



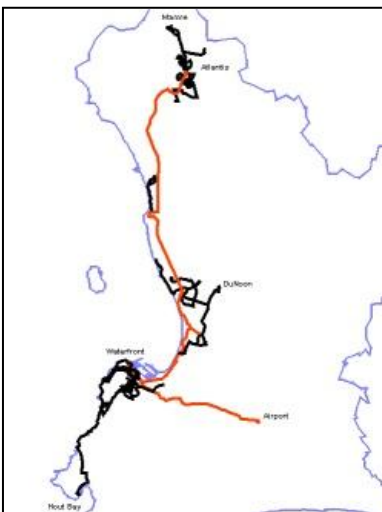
This milestone introduces following feeder and trunk services:

- Du Noon via Century City to Montague Gardens feeder (F66): The route modelled included circulation within Du Noon before running down Potsdam Road to Montague Gardens. This route could be refined to remove this circulatory route and assign the circulation to a separate internal route which makes use of smaller, more appropriate vehicles, emulating the existing operations in Du Noon.
- Century City to R27 feeder (F67): This route touches F66 with a free transfer and links to the R27 trunk route (T01).
- CBD to Montague Gardens trunk (T03 interim): This trunk service is an interim service providing a link from Woodstock rail station to Montague Gardens, serving the significant demand from the metropolitan south-east

area to Montague Gardens and making use of the 12m trunk vehicles already purchased for the Atlantis to Montague Gardens service, which will be redeployed for the Atlantis services.

No annual operating costs of this service have been modelled at this stage.

The target date for this milestone is December 2011.



## Milestone 4: The addition of Atlantis and Melkbosstrand trunk and feeder services

In this milestone, the following are added:

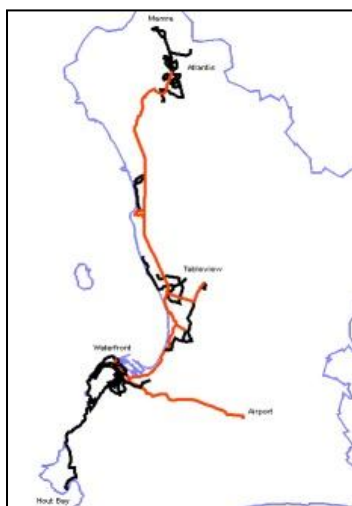
- Atlantis to Montague Gardens trunk (T03): This service will replace the interim service from the CBD to Montague Gardens, while still permitting travellers from the metro south-east to reach Montague Gardens via T01 and transferring to T03. The service has slight differences between peak and off-peak services.
- Atlantis to Table View (T04): This service will provide an all-day service between Atlantis, Melkbosstrand and Bayside centre.
- Feeders in Atlantis and Melkbosstrand (F08-F13): These routes will utilise 12m feeder vehicles in Atlantis and 8.8m vehicles in Melkbosstrand.

There is a possibility that the trunks could be operational prior to the feeder services, due to the limited costs and duration of construction of the feeder stops. The construction of the Atlantis depot will also be required.

The annual operating costs of this service have not been modelled at this stage.

This milestone can be operational without all the components completed, and it is proposed that the Atlantis feeders be phased in. The target date is May 2012, with the full plan as designed implemented by October 2012.

### **Milestone 5: The extension of the Bayside trunk to Du Noon**



In the final milestone of Phase 1A, the trunk from Bayside to the CBD is extended from Bayside to Du Noon. This trunk route (T01) will require the construction of dedicated bus lanes on Blaauwberg Road and Potsdam Road, a costly exercise which can be undertaken only in the 2012/13 financial year (if indicated national funding is provided). Once this milestone is implemented Phase 1A will be complete.

The existing public transport services that will be affected by this service have been identified and an estimate has been generated for the annual operating costs of this service.

The target date for this milestone is September 2013.

## **5.5. Identification of additional resources to enhance capacity (Future Phases)**

The system planning and modelling staff (resource) requirements have been assessed and have been forwarded to the Directorate's Human Resources practitioner. The general progress towards acquiring these resources, amongst others, is dealt with in Chapter 8 of this report.

Additional modelling resources are also being made available by PG:WC and this is currently being negotiated with the relevant PG:WC department. The sharing of these resources (consultants) would provide considerable benefit in concluding the review of Phase1 and more importantly the review of Phase 2 and beyond.

## **5.6. Operational planning consultant appointment**

Much of the work on the operational plan has been undertaken by transportation planning consultants appointed to support this IRT project work stream: Pendulum Consulting. Through this appointment extensive international experience has been provided in the development the (IRT) transport demand and cost models. In addition to the modelling the operational planning appointment included including the following areas:

- Data Collection
- Transport Demand Modelling & operational analysis
- System structure and design
- Traffic Impact Analysis , Intersection design and signal phasing
- Non Motorised Transport impacts
- Intelligent Transport System (ITS) and Fare system plan
- Station conceptual design
- Economic Evaluations

- Strategic Environmental Assessments

The current outstanding deliverables include:

- Technical Audit Report (Demand and cost Model) - Complete
- Finalization of the Transport Modelling report - *75% complete*
- Finalization of the Phase 1 operational report – *70% complete*
- Full phase status report – *60% complete*
- Economic Evaluation of Phase 1 – *20% complete*
- Limited additional modelling of Phase 1a is also to be undertaken - 80% complete

Approved consultant budget: R12 378 142.80

Expenditure to 30<sup>th</sup> June 2010: R11 556 043.92

## **5.7. Summary of progress**

The steps required to finalise the operational plan and the progress relating to this are summarised in Table 5 below:

**Table 5: Progress regarding finalisation of operational plan**

Consolidated Deliverables	Work packages	Resources required	Percentage complete at 30 <sup>th</sup> April 2010	Comments
1. Technical Audit report on Transport demand and cost model.	1.1 Prepare brief and identify appropriate mechanism to appoint local modelling experts.	Internal	1.1) 100%	Completed
	1.2 Detailed assessment of current modelling methodology, architecture, inputs and assumptions	External modelling experts	1.2) 100%	
	1.3 Prepare final report	Internal + Experts	1.3) 100%	
	1.4 Present and workshop with project team.	Internal + Experts	1.4) 100%	
	1.5 Engage LOGIT and amend model accordingly.	Internal + Experts	1.5) 100%	
2. Strategic review of Phase 1 (+ Phase 1A and starter service)	2.1 Extract trip distribution matrix for Phase 1 Area;	Internal resources	2.1) 100%	On Schedule. Only the Economic Evaluation (2.8) requires accelerating. This requires discussion with lead consultant re: available budget.
	2.2 Assess if all O-D pairs (base and future) are suitably covered in terms of route and type of route.	Internal resources	2.2) 100%	
	2.3 Present and Wkshop proposals to project team.		2.3) 100%	
	2.4 Financial Assessment of proposed rollout	Internal resources	2.4) 100%	
	2.5 Prepare Modelling scenario descriptions for LOGIT or for internal modelling	LOGIT (Need to ensure sufficient budget is available)	2.5) 100%	
	2.6 Technical Memo report covering system operational outputs and systems costs		2.6) 90%	
	2.7 Review and Assess results	Internal resources	2.7) 90%	
	2.8 Complete Economic Evaluation of Phase 1	Within current appointment	2.8) 5%	
	2.9 Start to input into Council Report		2.9) 90%	
3. Strategic review of Phase 2 - 4	2.1. Prepare tender docs and appointment of consultants for the system operational planning and modelling for phase 2-4.	Internal resources	On hold	Item 2.1 is being reviewed based on the latest additional resources as offered by PG: WC. COCT awaiting MOA.
	2.2 Extract trip distribution matrix for Phase 2-4;	Internal resources		
	2.3 Assess if all O-D pairs (base and future) are suitably	Internal resources		

Consolidated Deliverables	Work packages	Resources required	Percentage complete at 30 <sup>th</sup> April 2010	Comments
	<p>covered in terms of route and type of route.</p> <p>2.4 Present and Workshop proposals to project team.</p> <p>2.5 Amend and review the Route Description table for Phase 2 - 4</p> <p>2.6 Prepare Modelling scenario descriptions for LOGIT or for internal modelling</p> <p>2.7 Technical Memo report covering system operational outputs and systems costs</p> <p>2.8 Transport Impact Assessment Report</p> <p>2.9 NMT Plan report</p> <p>2.10 Review and Assess results</p>	<p>Internal resources</p> <p>External modelling consultants</p> <p>External modelling consultants</p> <p>External consultants</p> <p>External consultants</p> <p>Internal resources</p>		<p>Items 2.2 – 2.10 will follow 2.1 accordingly.</p>
<p>4. Identify additional resources required to enhance capacity (internal and external) within system planning and modelling.</p> <p>5. General</p>	<p>4.1 External Appointment of consultants (R8.1m) for modelling, transport impacts, NMT plan and other for Phase 2 and beyond. This will be a new tender.</p> <p>4.2 Internal (09/10 financial year) Appointment of key modelling and planning personnel</p> <p>5.1 Tariff Report for World Cup related public transport services for 2009/ 10 financial year.</p> <p>5.2 Tariff Report for 2010/ 2011 financial year services</p>		<p>4.1) On hold</p> <p>Complete</p> <p>Complete</p>	<p>Item 2.1 is being reviewed based on the latest additional resources as offered by PG: WC. COCT awaiting MOA.</p> <p>4.2 Positions to be advertised. Awaiting finalization of organizational structure, job description and benchmarking</p> <p>Both reports in the public domain for comment.</p>

## 6. Infrastructure

### 6.1. Design progress review

#### 6.1.1. 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.

### 6.2. Design progress

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

#### 6.2.1. Trunk bus ways and bus lanes

The majority of the detailed designs and drawings for the Phase 1A trunk route bus lanes between Granger Bay Blvd and Bayside IRT Station, intersection details and parallel NMT facilities have been issued to the various contractors. 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
Hertzog Boulevard Heerengracht, Fountain Circle and Hans Strijdom Avenue up to Bree Street	Detail	Arcus Gibb	Feb 2009	100	Sept 2009	<i>Tender validity for Trunk route along Heerengracht &amp; Hans Strijdom Avenue 86Q has been extended for the second time until 2 August 2010.</i>
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 &amp; improve accessibility to work opportunities at the V &amp; 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>

Description	Design Stage – Concept/ Prelim/ Detail	Consultant	Appointment Date (design start date)	% complete	Anticipated completion date	Comments
Waterfront service to Victoria Wharf & Clock Tower (Roggebaai Canal Precinct )	Route Feasibility Report	Arcus Gibb	Feb 2009	70	Dependent on negotiations with V&A and Ports Authority	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 downturn coupled with its knock-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
Blaauwberg/ Raats Rd - R27 - Milner St - Paarden Eiland (disused rail siding) - New N1 busway - Old Marine Dr - Civic Ave - Hertzog Blvd	Detail	HHO	Sept 2009	100	Dec 2008	Design complete, currently under constructed. Consultants have completed an investigation into providing drop off zones along the R27 trunk to ensure safe transfer to IRT trunk buses – a number of suitable 'kiss & ride' and 'park & ride' sites have been identified. Consultants have also been requested to demonstrate how existing Golden Arrow bus services can be accommodated along R27 prior to full implementation of MyCiTi Trunk & Feeder bus services.
Blaauwberg Rd: – Pentz Drive to Koeberg Rd and the R27: - Blaauwberg to Sandown Rd	Detail	HHO	Jan 2009	90	March 2010	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.
Potsdam Road: - between Blaauwberg Road and Doornbach	Detail	HHO	Jan 2009	75	March 2010	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.
Atlantis and Melkbosstrand areas (localised road widening)	Preliminary Detail	HHO HHO	Mar 2009 Dec 2009	100 25	Sept 2010	Further design of this infrastructure is dependent on the available funding and subject to the finalisation of the IRT rollout for the 2010/2011 financial year.
Montague Gardens Industria via Racecourse Rd	Conceptual	HHO	Oct 2009			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. Progression to detail design is subject to an agreed IRT rollout plan for the 2010/2011 financial year.
Century City bus lanes and stations	Conceptual	HHO	Feb 2009	90		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

## 6.2.2. Trunk stations

The detailed designs for the essential 2010 IRT Trunk Stations being the Airport, Civic and Stadium, as well as the prototype at Granger Bay station, have been signed off and have been issued to the Contractors. 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:

- Conceptual design of trunk stations at Melkbos, Milneron Medi Clinic (on Racecourse Road) and 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.
- Drawing on lessons learnt from the initial rollout of station infrastructure a number of improvements have become apparent and architects are currently reviewing designs as part of a value engineering exercise aimed at reducing the cost of the station sub-structures and superstructures were appropriate; results of which should be available by the next progress report.
- The glazing specification and the roof design at the Civic Centre has been amended following outcomes and findings from wind assessment report, by Adam Golliger (Feb 2010). Furthermore wind protection measures are being considered at Civic Station to ensure passenger comfort.
- Closed feeder station: – Architects currently preparing concept drawings for Adderley Street, Gardens Centre and Queens.
- With the exception of Bayside Station, all other building plans for phase 1A stations listed in Table 6.4 have been approved.
- 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.

### 6.2.3. Feeder services and stops

The concept design 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. Verification of Inner City feeder stop locations (F01 – F08) is 90% complete and detail design has started on the Circle Route (F07).

- 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 conceptual layouts for each station is complete and is ready for review 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:

- Improvements to feeder routes in Inner City, Blaauwberg and Atlantis areas
- 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
- Generic Feeder Station (Sub-structure and Super-structure): Final review of the design has been completed and the architect has been instructed to incorporate improvements suggested by officials and to submit the preliminary top structure design report including the revised cost estimates to the Client for approval.

#### 6.2.4. 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. Upon confirmation of the final phase 1A rollout plan and the corresponding fleet requirements, tender drawings and documentation will be amended accordingly.
- Inner City Depot: - A recent 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 of for the complete redevelopment of the Inner City Depot site and the full development of the remote staging facility between the foreshore freeways.
- 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.

#### 6.2.5. 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.

### 6.3. 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)
<b>A. PROPERTIES ACQUIRED TO DATE</b>	
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	R 77,50

CC for a Bus Depot in Milnerton: Stables	
<i>TOTAL (Excluding VAT)</i>	<i>R 130,46</i>
<b>B: PROPERTIES TO BE ACQUIRED / LEASED</b>	
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.

#### 6.4. 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.

##### 6.4.1. 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"> <li>• 5 No. Station substructures</li> <li>• Station entrance, toilets, ticket kiosk</li> <li>• 90m ramp to platforms, incl. retaining walls &amp; balustrade</li> <li>• 460m of CRC bus lane</li> </ul>	Martin & East	Part of the Granger Bay Blvd Project	12/12/2008	100%	2010-05-07
Cape Town International Airport	NA -ACSA project	<ul style="list-style-type: none"> <li>• 1484 m<sup>2</sup> CRC concrete apron slab at station</li> <li>• 2 No. Station substructures</li> <li>• 2 No. Station superstructures</li> <li>• Sheltered waiting area</li> <li>• Ticket kiosk &amp; info. desk</li> <li>• Access boom</li> </ul>	Walltell - Civils & Group 5 - structures	R 17,134,065.07	04/09/2009	100%	2010-04-30
Hertzog	319Q	<ul style="list-style-type: none"> <li>• 2.3km of CRC bus lane</li> </ul>	Civils 2000	R 36,815,891.00	2009-04-07	94%	2010-06-03

Contract	Contract No.	Scope of Works	Contractor	Anticipated final construction cost (excl. VAT & esc)	Start date	% Complete	Anticipated Completion Date
Boulevard: Heerengracht to Old Marine Drive		<ul style="list-style-type: none"> <li>5 No. Station substructures</li> <li>1.3km of shared ped./cycleway</li> </ul>					
Culemborg: Old Marine Drive to Church St	144Q	<ul style="list-style-type: none"> <li>3.6km of CRC bus lane</li> <li>3 No. Station platform substructures</li> <li>1.8km of shared ped./cycleway</li> </ul>	Civils 2000	R 44,925,417.00	2009-01-23	96%	2010-06-28
Culemborg: Church Street to N1	27Q	<ul style="list-style-type: none"> <li>2.9km of CRC bus lane</li> <li>1.4km of shared ped./cycleway</li> <li>221m viaduct over railway lines</li> </ul>	Vusela	R 76,902,121.00	2008-10-14	88%	2010-06-30
Paarden Eiland: N1 to Milner Rd	77Q	<ul style="list-style-type: none"> <li>5.1km of CRC bus lane</li> <li>8 No. Station substructures</li> <li>2.6km of shared ped./cycleway</li> </ul>	Martin & East	R 91,891,438.93	2009-12-12	89%	2010-07-13
Paarden Eiland: Salt River Canal bridge	80Q	<ul style="list-style-type: none"> <li>65.2m Bridge over Salt River Canal</li> </ul>	Civils 2000	R 14,239,591.00	2009-01-19	100%	2010-05-10
R27: Milner Rd to Racecourse Rd (incl. Blaauwberg Rd between the R27 & Pentz Drive)	163Q	<ul style="list-style-type: none"> <li>8.0km of CRC bus lane</li> <li>1.9km of heavy asphalt pavement</li> <li>3 No. Station substructures</li> <li>2.6km of shared ped./cycleway</li> </ul>	Martin & East	R 116,185,665.00	2009-01-19	94%	2010-07-15
R27: Racecourse Rd to Blaauwberg Rd	139 Q	<ul style="list-style-type: none"> <li>11.2km of CRC bus lane</li> <li>4 No. Station substructures</li> <li>4.6km of shared ped./cycleway</li> </ul>	Baseline	R 89,266,216.00	2009-01-23	88%	2010-10-07
Kassel Kerb Supply	563N		Cape Concrete/ Bekezela	R 5,275,339.00	Proceeding according to schedule		

**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"> <li>5.6km of CRC bus lane</li> <li>Dualing of existing single carriageway</li> <li>5.0 No. Station substructures</li> <li>2.8km of shared ped./cycleway</li> </ul>	136.9	<i>The validity of this tender has lapsed &amp; 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"> <li>9.1km of CRC bus lane</li> <li>10 No. Station substructures</li> <li>5.7km of shared ped./cycleway</li> </ul>	216.7	<i>The validity of this tender has lapsed &amp; re-tender subject to an agreed IRT rollout plan for Phase 1A</i>
Atlantis bus lanes and bus station	87Q/2009/10	<ul style="list-style-type: none"> <li>Localized widening &amp; CRC @ stations</li> <li>4 No. Station substructures</li> </ul>	36.5	<i>The validity of this tender has lapsed &amp; these works will be repackaged as part of a new tender for the Atlantis to Montague Garden trunk route</i>
Heerengracht & Hans Strydom Avenue	86Q/2009/10	<ul style="list-style-type: none"> <li>1.3km of CRC bus lane</li> <li>2 No. Station substructures (Thibault)</li> </ul>	25.3	<i>Tender validity has been extended for the second time until 2 August 2010. Tender evaluation and adjudication underway with the intent to start construction soon after the WC event</i>

#### 6.4.2. Station superstructures

This project is dependent on the completion of the substructures by the bus way contractors. Late handover of substructures have affected completion dates. The finalisation of the ticket kiosk design and its fabrication has further delayed the construction of the generic stations along the R27 and that of the Granger Bay station. The prefabricated ticket kiosk have been installed at all the stations the exception of Sunset Beach.

With the exception of Granger Bay and Lagoon station, the completion of other stations is being delayed by approximately one month due to the late establishment of a permanent power supply. The installation of the traffic signals, irrigation timers, station equipment and CCTV surveillance cameras are all dependent on a permanent power supply.

Provision of services to all type A stations is on hold due a moratorium on wayleaves over the World Cup period. The combined impact of late service and electrical connections has delayed completion of some Type A stations along the Paarden Eiland Railspur by up to six weeks.

Anticipated final completion dates indicated in Table 6.4 are as per the Group 5 Progress Report No. 11 dated 24 June 2010.

Contract commencement date:	2009-07-16
Overall state of completion (2010 WC IRT stations)	100%
Overall state of completion (remainder of IRT stations)	75%

The contractor Group 5 is currently working on 13 stations at present, Bayside being the last station substructure to be handed over to Group 5 as of 21 June 2010. Group 5 has achieved practical completion of all World Cup Stations:

- Stadium - 10 May 2010
- Civic - 17 May 2010
- Airport - 5 May 2010

All the 2010 WC stations were completed on time, in advance of the WC soccer event and have all been handed over to Transpeninsula (2010 bus operator).

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

STATION	TYPE	SITE ACCESS	PRACTICAL COMPLETION	Sub-structure % Complete (not part of 390Q) as of 18 June 2010	Super-structure % Complete as of 18 June 2010
Granger Bay	E	16 Sept 09	27 July 2010	100	92
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	94.7
Paarden Eiland	A	27 Jan 10	2 Sept 2010	100	60
Neptune	A	02 Dec 09	27 Aug 2010	100	88
Section	A	11 Dec 09	30 Aug 2010	100	61
Brooklyn	A	17 Feb 09	7 Sept 2010	100	55.5
Zoar Vlei	B1	18 Jan 09	27 Aug 2010	100	47.3
Lagoon Beach	B1	30 Nov 09	16 Aug 2010	100	53
Woodbridge	B1	09 Dec 09	16 Aug 2010	100	51
Links View	B1	26 Jan 10	30 Aug 2010	100	51
Racecourse	B1	09 Dec 09	13 Aug 2010	100	79
Sunset Beach	B1	24 Nov 09	12 Aug 2010	100	80
Bayside	C1	03 Mar 10	30 Sept 2010	100	0
Atlantis 1					
Atlantis 2		ON HOLD			
Atlantis 3					
Atlantis Town Centre					

### 6.4.3. Bus depots

The accommodation of IRT operations for the 2010 WC and the starter service between Civic and Bayside requires the partial development of the Inner City (IC) Depot and the construction of a remote staging facility on the foreshore.

The contractor's scope works includes the limited redevelopment and upgrading of the existing Transnet Depot off Prestwich Street to accommodate IRT operations and those of the existing tenant, Autopax. The Prestwich Street site

formally handed over to Civils 2000 on 23 March 2010 and works commenced 25 March. Partial completion and beneficial occupation of the IC depot by Transpeninsula was achieved 11 May 2010, and formal handover of the remainder of the depot was achieved 21 May 2010.

Also included in the scope works is the construction of a remote overflow staging facility between the Foreshore Freeways for which works commenced as of 22 February 2010, and for which completion is was achieved early June and handed over to Transpeninsula 7 June 2010.

### 6.4.4. 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, however due to budget constraints the implementation of this work is on hold.

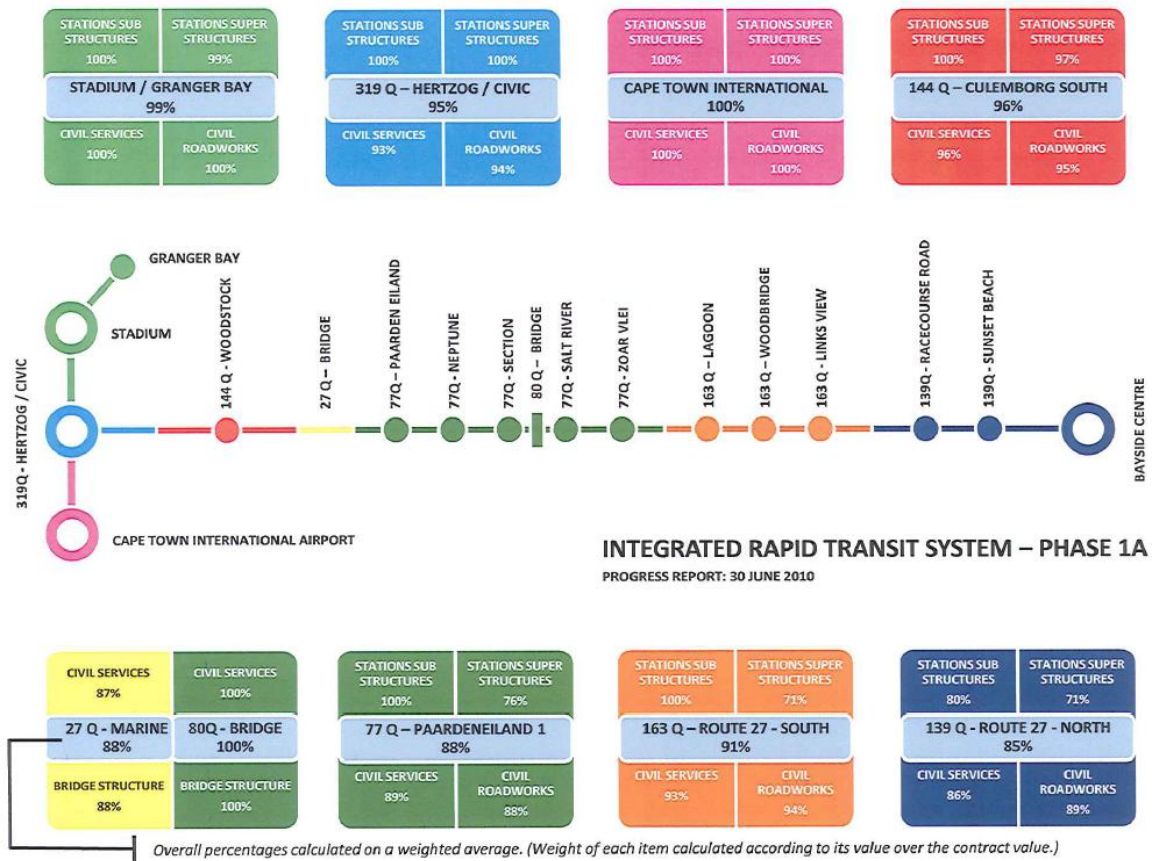


Figure 2. Construction progress on the (Pilot) Phase 1A bus ways and stations

## 7. Procurement: Major contracts & professional services appointments

### 7.1. Introduction

In terms of the major contacts and professional service appointments for IRT related and 2010/IRT related projects the following progress can be reported;

- Infrastructure contacts amounting to some R668 million have been awarded to date. These contacts relate primarily to the construction of bus ways and stations between the City and Table View. Tenders for approximately a further R1000 million worth of infrastructure have been advertised for which contacts have not yet awarded while tenders for a further R 790 million are still to be advertised.
- Property acquisition costs to date, amount to some R130 million.
- Both the Business Plan appointment and Operational Plan professional service appointments are progressing with 64% and 91% of the respective contacted value expended.
- A contact valued at R101.5 million has been awarded to Volvo SA (PTY) Ltd for the supply of 43 IRT trunk vehicles.

A schedule of IRT and related 2010/IRT contacts and professional service appointments is provided below in **Table 7.3**.

### 7.2. Infrastructure & property acquisition

Progress with respect to the infrastructure planning, design and construction contacts as well as property acquisition is provided in detail in **Chapter 6**.

### 7.3. Business plan contacts

Progress with respect to the following operational / business contacts is provided in **Chapter 4**.

- Vehicle operator contract
- Fare system contract
- Control centre contract
- Station services contract.

The current budget of the Business Plan Joint Venture, providing overall professional services the business plan team and some other components of the IRT, is as set out in Table 7.1 below.

**Table 7.1: Business plan joint venture - financial summary June 2010**

	<b>Budget</b>	<b>Total spent to date</b>	<b>Balance of Budget</b>	<b>% of Budget spent</b>
TOTAL	R38 429 409.00	R27 039 229.74	R11 390 179.26	70%

## 7.4. Operational planning consultant appointment

Progress with respect to the Operational Planning contact (now referred to as System Planning) is provided in Chapter 5. Error! Reference source not found..

This professional services appointment includes the following:

- Data Collection
- Transport Demand Modelling & operational analysis
- System structure and design
- Traffic Impact Analysis , Intersection design and signal phasing
- Non Motorised Transport impacts
- Intelligent Transport System (ITS) and Fare system plan
- Station conceptual design
- Economic Evaluations
- Strategic Environmental Assessments

**Table 7.2 Operational plan joint venture - financial summary April 2010**

	<b>Budget</b>	<b>Total spent to date</b>	<b>Balance of Budget</b>	<b>% of Budget</b>
TOTAL	R12 378 142.80	R 11 556 043.92	R 822 098.88	93.4%

## 7.5. Bus Procurement

### 7.5.1. Introduction

The acquisition of the initial IRT truck service fleet is being procured through an award made to Volvo SA (PTY) Ltd for the supply of 43 busses (18 m articulated units and 12 m basic and special airport service units). The contact includes a provision for driver training.

### 7.5.2. Production scheduling and Delivery

The City of Cape Town has taken delivery of all 18m articulated IRT trunk service and 12m trunk service for which it placed orders. These vehicles have been placed in service and are being operated by Transpeninsula (Pty) Ltd on the City's behalf. A number of snags were however identified and Volvo and their body builder, Marcopolo have been attending to these.

Delays in delivery did occur primarily due to the Transnet strike (force majeure) and in the issuing of vehicle licences as a consequence of the vehicle homologation process taking (SABS) longer than anticipated. Notwithstanding the delays the impact on 2010 World Cup event services was negligible. The delays did however impact on the driver training schedules.

### 7.5.3. Vehicle livery and system branding

The IRT system branding and vehicle livery has been applied to all vehicles with the exception of the 18 m and 12 m prototype vehicles. (See graphic below). However during the 2010 World Cup event month the vehicles have been wrapped in advertising and income generated there from is being returned to the project.

## **8. Establishing the project team: staffing, organogram, office**

### **8.1. Development of organisational structure: Reporting levels 2 to 4**

A further review of the organisational structure reported on in progress report number 5 was done and it was decided to also provide for the function of Customer Relations Management under the Director: IRT Operations. It further became evident that provision should also be made on both the organisational structures for IRT Implementation and IRT Operations for the function of Support Management to take responsibility for day to day management and administration of Financial, Human Resources and Information Technology matters.

The secondment of a Legal advisor and a Communication and Marketing Manager from the Legal department and the Communications department are still proposed to specifically focus on support in this regard for the IRT Implementation function and even the IRT Operations function until the latter is properly structured and staffed.

It is further considered to first create capacity on reporting levels 2 and 3 as a first phase and once the directors for IRT are in place to allow them the opportunity to finalise reporting level 4 which is more line and functional focussed.

### **8.2. Creating internal operational capacity**

The report that served before MAYCO during mid-May 2010 regarding the provision of municipal public transport services in the interim until a Municipal Entity is established and which was reported on in the previous progress report, has in the meantime been approved by Council to allow for Line Management to proceed with the filling of posts on the IRT Project organisational structure.

The draft IRT Project organisational structure will be submitted to the City Manager as soon as it is signed off by the newly appointed directors for IRT and the Executive Director: TR&MP.

### **8.3. Filling of vacant posts**

Appointments for the posts of Director: IRT Implementation and Director: IRT Operations have been made with the candidates to assume duty with effect 1 July 2010. Both candidates are from internal.

The possible accommodation of 2010 WC staff on the IRT Project structure is in process and a final list of candidates and possible placements is under review. Consultation with the unions, where required, will also take place as soon as possible.

### **8.4. Placement and capacity**

Letters were sent to both unions on the implementation of an interim operational phase for the IRT Project until a Municipal Entity can be established subject to Council approval. SAMWU requested for a presentation to be done to them to explain all operational arrangements to be established for the interim period. A presentation has therefore been scheduled for both unions to take place on 6 July 2010.

No other staff capacity has yet been created apart from the appointment of the two directors. The services of the seconded staff reported on in the previous progress report are still being utilised.

## **8.5. Development of job descriptions**

A staffing strategy has been developed for the IRT Project to be included in the Business Plan to serve before Council soon.

Job descriptions have been developed for the IRT Manager posts on the organisational structure and needs to be signed off by the newly appointed directors for the IRT Project as well as the Executive Director: TR&MP. The process for the development of the job descriptions for the Head posts will assume once the directors are formally in place.

## 9. Communication, marketing and branding

### 9.1. Introduction

The communication and marketing stream of the IRT project focused on the following from 15 May – 08 July 2010:

- IRT communication around the launch of the service on 29/05/10;
- IRT communication around the World Cup Transport Service;
- Operational communication with the public about times, tariffs, services, etc.;
- Communication of information around traffic disruptions related to IRT construction;
- Ongoing communication through various media.

### 9.2. Media

#### 9.2.1. Press releases and media engagement

Media alerts and releases issued from 15 May – 08 July 2010:

- media alert/invitation, 06 July 2010: MyCiTi bus tour to inspect artwork at stations
- media release, 30 June 2010: New traffic signal control at IRT intersections
- media release, 30 June 2010: City repeats 'Free Friday' for MyCiTi bus service on 02 and 09 July
- media release, 28 June 2010: Public invited to comment on MyCiTi IRT contracts
- media alert/invitation, 24 June 2010: Join Mayor Plato and Councillor Elizabeth Thompson on free MyCiTi bus ride
- media release, 23 June 2010: City announces 'Free Friday' on the MyCiTi inner-city loop
- media release, 23 June 2010: City positive as it reaches halfway-mark figures for World Cup
- media release, 15 June 2010: City's report back on Monday's World Cup match
- media release, 14 June 2010: City urges fans attending today's match to utilise public transport
- media release, 12 June 2010: City's report back following first World Cup match at Cape Town Stadium
- media release, 12 June 2010: Spectators advised to prepare for wet weather for Monday's match
- media release, 11 June 2010: City's Park-and-Ride facilities ready for City's first World Cup match
- media release, 10 June 2010: City and mini-bus taxi industry sign important WC 2010 transport agreement
- media release, 09 June 2010: City's World Cup non-motorised transport facilities will be a legacy for the future
- media release, 08 June 2010: MyCiTi's inner-city loops: bus stops and their nearest intersections
- media alert/invitation, 02 June 2010: City's Transport Portfolio Committee to test MyCiTi bus system
- media release, 31 May 2010: MyCiTi bus loop to drop locals at work, study, or party
- media release, 28 May 2010: City launches two MyCiTi bus services
- media release, 27 May 2010: City's hi-tech Transport Management Centre officially opened
- media alert/invitation, 17 MAY 2010: Bus Tour of 'MyCiTi' route

In addition,

- several media tours were conducted
- a significant number of on-air radio, television, and web-based media interviews were done

#### 9.2.2. Newspaper Adverts

Adverts were placed on 25 June, for the Section 33 process, inviting public to comment on MyCiTi IRT contracts

#### 9.2.3. Work in progress

- Ongoing media communication around the operational aspects of the service
- Continuation service post-World Cup
- Preparatory communication for the launch of the IRT in 2011

## 9.3. Overall Communication

### 9.3.1. Distribution of pamphlets and posters

This is an important means of getting information about the IRT out to the public. Whenever presentations are made to public forums or meetings, pamphlets about the IRT are also distributed.

- Printed and distributed 12 000 flyers to inner city destinations and tourism outlets. An additional 12 000 flyers are currently being printed.
- Poster developed and amended to make the routes clearer, 2000 currently being printed
- Developed map posters setting out the routes.
- Supported the marketing of the airport service with the production of A6 postcard style flyers, with 12 000 of each of these printed. Distributed these to shops, hotels and backpackers.  
The distribution process has also involved face to face engagement with the hospitality industry. There has been a high level of enthusiasm for the services from the one-on-one interaction that has taken place. It is also clear though that there are a great number of other establishments that could still receive the information pamphlets and it is suggested that a further print run is completed.
- Developed and printed card style pamphlet about the airport shuttle service distributed to all guests. This was digitally printed as a short run of 300.

### 9.3.2. Electronic Media

The website [www.capetown.gov.za/irt](http://www.capetown.gov.za/irt) is the public face of the IRT and therefore needs to be 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 was regularly updated.

The following actions are ongoing:

- Development, writing, copy editing, design and layout, HTML coding and distribution of fourth e-newsletter to database of approximately 1038 people

Stories produced for website in this period:

- 28 May 2010: City launches two MyCiti bus services
- 28 May 2010: Fifth project progress report released for public viewing
- 19 May 2010: Art in bloom at IRT stations
- 19 May 2010: Fourth project progress report released for public viewing

The following actions were completed:

- Developed electronic flyer advertising the service and linked to map on the City's website.
- Electronic newsletter about new service developed and sent out to database of over 1 000.
- An electronic flyer about the airport service was distributed to 1163 people.
- An electronic flyer of the inner city service, linked to an online map was developed.
- The e-newsletter was redesigned to reflect the new MyCiti brand and identity.
- The code sent to Martin Pollack to assist in the creation of a function on the City's website to enable the general public to subscribe to the e-newsletter. This was reported in the April reporting period but is not obvious on the site.
- Project report no. 5, with summary, was prepared for publication on the City website.
- IRT Resource Centre: Support has been provided for the development of a demonstration website for the MyCiti team piloting the work of the Industry Transition team. This took the form of providing electronic versions of stories and press releases, together with brief overviews and source information.  
Dawie Bosch has asked the electronic copy is provided on a weekly basis in a structured format.
- Updates of and regular postings on social media platforms, such as Facebook and Twitter

Note: Action is required in order to urgently update the website to reflect the new identity of the system and the changed functionality of the site now that the system is operational. There needs to be a re-launch of the site. It should also be noted that the [www.myciti.org](http://www.myciti.org) domain was registered in March as a precaution, and should be handed over to the City ahead of their contract expiring.

### 9.3.3. Mapwork

This has been a major focus recently, and the following items have been produced for the World Cup Service:

- A0 City Precinct – Inner City 1
- A0 Inner City 2
- A0 Integrated WC Services Map including rail
- A0 Airport Civic Centre combined “you are here”
- A0 Airport Service combined map for Airport Station “you are here”
- Data Bands: Inner City 1 & 2 for inside buses
- Inner City 1 & 2 “you are here” maps for street poles
- Airport databand
- A4 Inner City 1 & 2 “you are here” : 22 bespoke versions
- A4 Queens Beach “you are here” 7 bespoke versions
- A4 Hout Bay “you are here” 12 bespoke versions
- A4 Total Systems Map
- Schedules: Inner City and Airport

### 9.4. Progress with marketing and branding strategy

The process followed to develop the marketing and branding thus far is as follows:

- Through his recess powers, on 07 June, the Executive Mayor, in consultation with the Mayoral Committee, approved that the trademarking process go ahead.  
This report will serve before the Council after the recess for noting.
- A draft marketing plan for the launch of the Airport Service has been developed.

#### 9.4.1. Signage

Work comprised design input and specification of all station precinct signage including:

- Primary external
- Primary internal
- Way finding
- On vehicle
- Statutory
- Retail outlets
- Ticketing machines
- Ablutions
- Service
- Consultation with signage manufacturer on prototyping

#### 9.4.2. Incorporating Branding & Advertising Opportunities

Significant opportunities for advertising by the private sector exist within the IRT system. However, any advertising proposals must be done in such a manner as to ensure that the IRT’s brand is not diminished, that the City receives maximum value from advertising opportunities, and that the advertising is within the City’s existing outdoor signage and planning by-laws and policies.

Therefore the IRT branding and marketing team have been working with the appointed consultants to identify advertising opportunities and how these can be incorporated.

In addition to incorporating advertising opportunities with branding opportunities the IRT project is also identifying artwork opportunities at certain key stations. Therefore it is important that the overall station layout considers branding, advertising and artwork opportunities, in order to ensure that the overall station is well designed.

### WHAT HAS BEEN ACHIEVED

- The busses were advertised for full vehicle wraps for the World Cup period and Coca-Cola was the preferred supplier.

## **9.5. Stakeholder Engagement**

### **9.5.1. Public Participation**

#### IRT EXHIBITION

- A draft design for a new exhibition incorporating the MyCiTi branding was completed, but put on hold in the absence of clear brand guidelines for this item.

#### WORK IN PROGRESS

- The City is liaising with external organisations in order to do further presentations to Cape Town businesses and organisations once the World Cup is over.
- Establishment of a Stakeholder Forum
  - Meeting with Economic, Social Development & Tourism directorate to include the IRT Stakeholder Forum in the multi-year agreement between City of Cape Town and Cape Town Partnership

### **9.5.2. Councillor Information**

- FAQs have been translated into Afrikaans and isiXhosa.

## **9.6. Project Management**

- Regular meetings with members of the communications team
- Planning for 19 May event with HWB
- Attended regular meetings of the World Cup/2010 integration meeting chaired by Ron Kingma.

## **9.7. Events**

- On 24 June, Mayor Plato and Cllr. Elizabeth Thompspon launched the Free Friday campaign
- On 03 June, members of the Transport, Roads and Major Projects Portfolio Committee tested the MyCiTi service
- On 01 June, conducted Airport-City bus tour with Cllr. Elizabeth Thompson
- Launched the service on 29 May with a series of media events and tours on the day itself, and the weeks following
- Hosted and organised IRT Station Tour event, including cocktail function thereafter on 19 May. Members of the Transport Portfolio Committee at National Parliament, the Deputy Minister of Transport, the Mayoral Committee Members, City of Cape Town Transport, Roads and Major Projects Portfolio Committee, external stakeholders, Project Team and media participated in this important launch event.

## 10 Related project: 2010 Transport Services

### 10.1 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 2.1 summarises the World Cup Peak Period and Match Day Transport Services that will operate during the 2010 World Cup.

**Table 2.1: Transport service summary for 2010 World Cup**

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

### 10.2 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. There were many issues with getting the buses that were promised to be delivered and licensed to the depot and available for official use. There were plenty of ongoing issues with the training of the drivers and the ability to drive the actual routes and stops. The buses have had a number of teething problems regarding the operation of the right side doors and station platform doors. This was overcome by using manual overrides. The service providers, Frost, Marcopolo, and Volvo have been making an effort to resolve the issues. Volvo has a mechanic at the depot on a daily based to repair and maintain the new buses.

### 10.3 Inner city depot

The Inner city Depot was handed over but there were many issues with the facility, including the security of the depot, most of these issues have been attended to but there are still issues on the contractors snag list. There should be resolution in the coming weeks.

#### **10.4 2010 World Cup vehicle operator**

Transpeninsula have faced many challenges from the City of Cape Town since the previous report, and has done an excellent job in view of difficulties experienced. 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 and delivered a remarkable service. There are still issues of clarity of the continuation services that the operator seeks from the City, which are being attended to.

#### **10.5 Bus system test event**

On June 10 2010, there was a bus systems test for Transpeninsula to test the new stations and buses with host city volunteers. The purpose of this test was to get as many people as possible boarding buses at a rapid rate. As passengers they were taken to the Stadium Station and asked to disembark and exit the station for the approximately 30 minutes. At a prescribed time the passengers lined up to enter the station and Transpeninsula tested how quickly and efficiently they can get the passengers back to the Civic Centre station.

This allowed the Host City Volunteers a chance to experience the new public transport system. This test also benefited Transpeninsula and their staff getting an opportunity to run the buses with a semi full stations.

#### **10.6 Bus system event services**

The event services that were run are listed in the above table. Notably the Spoke services of the hub and spoke principle were very well utilized. The UCT Park and Ride required at least double the expected demand. Hout Bay Park and rides were also at capacity on a couple of match days. We also had some issues with the subcontracted drivers from Golden Arrow as they didn't completely comply with the orders. The ridership on the Match Day Shuttle varied from event to event but the post peak demand was always cleared in an hour or less. Overall all the services were managed well and served the spectators and visitors without a problem. A separate report will be submitted on this service in due course.

## **11 Risk assessment: IRT and 2010**

The current risk registers for 2010 and Phase 1A are receiving management's attention. The risks that have management's current and immediate attention will be those that intersect with the 2010 FIFA World Cup. The longer-term IRT risk register will be influenced by the longer-term objectives of the project and the risk mitigation actions will be addressed by management accordingly.

## Annexures

### Annexure A 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	16-03-10

<b>Item Number</b>	<b>Subject</b>	<b>Date</b>
	the 2010-2011 financial year	
C 31/03/10 (Item 53)	Recommendation - Integrated Rapid Transit project: Update on negotiations and contracts related to Council decisions of 28 October 2009	31-03-2010
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	Report on the due diligence completed on the Integrated Rapid Transit System	3-05-2010
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	Business Plan for Phase 1A of Cape Town's MyCiTi Integrated Rapid Transit System	15-07-2010

## Annexure B Contact details of contributing authors

Name	Department	Phone No	e-mail
Mike Marsden	Service Delivery Integration	021 400 5010	mike.marsden@capetown.gov.za
John Martheze	IRT Project Office	021 400 4918	john.martheze@capetown.gov.za
Abdul Bassier	IRT Business Plan	021 400 5465	abdul.bassier@capetown.gov.za
Andrew Swanepoel	IRT Consultant	021 400-3135	andrew.swanepoel@capetown.gov.za
Charles Fuller	Consultant: Axios	021 419-2115	cfuller@mweb.co.za
Cheryl Stevens Gammon	Consultant	021 674-1722	cdjse@cybersmart.co.za
Cobus Hugo	Roads & Stormwater	021 400 2961	cobus.hugo@capetown.gov.za
Dave Beurger	Roads & Stormwater	021 400 4406	dave.beurger@capetown.gov.za
Dawie Bosch	IRT Consultant	0825578597	dawie.bosch@gmail.com
Gershwin Fortune	IRT System planning and modeling (Ops Plan)	021 400-3886	Gershwin.fortune@capetown.gov.za
Glen Ho	Consultant: KPMG	021 408 7332	glenn.ho@kpmg.co.za
Hennie Viviers	Strategic HR	021 400 2596	hennie.viviers@capetown.gov.za
Jedd Gimbreek	Consultant: MDA & Associates	021 419 7733	jedd@mdaprojects.co.za
Johnny Johnson	Switch Design	083 2509125	johnj@switchdesign.com
Kylie Hatton	Communication	021 400 4684	kylie.hatton@capetown.gov.za
Louise Muller	Shareholding Management	021 400 3940	louise.muller@capetown.gov.za
Marek Houba	2010: Process Manager	021 400 9349	marek.houba@capetown.gov.za
Peter Sole	Transport	021 400 4735	peter.sole@capetown.gov.za
Philip van Ryneveld	Consultant	083 628-4180	philip@vanryneveld.com
Ron Haiden	IRT Infrastructure	021 400 3086	ronald.haiden@capetown.gov.za
Ronald Kingma	2010: Technical	021 400 9352	ron.kingma@capetown.gov.za
Roy Rogers	2010: Consultant	0720597775	rrogers@pgwc.gov.za
Wallied Taliep	Transport, Roads & Major Projects	021 400 9880	wallied.taliep@capetown.gov.za