



REPORT TO: URBAN WASTE MANAGEMENT PORTFOLIO COMMITTEE

1. ITEM NUMBER UWM 08/10/24

SUBJECT

**URBAN WASTE MANAGEMENT CAPITAL ITEMS PROGRESS STATUS UPDATE
REPORT FOR THE PERIOD 01 AUGUST 2024 TO 31 AUGUST 2024**

ONDERWERP

**STEDELIKEAFVALBESTUUR: VORDERINGSVERSLAG OOR KAPITALE ITEMS VIR
DIE TYDPERK 1 AUGUSTUS 2024 TOT 31 AUGUSTUS 2024**

ISIHLOKO

**INGXELO EHLAZIYIWEYO ENGOBUME BENKQUBELAPHAMBILI NGOKUMALUNGA
NEMIBANDELA ENGEASETHI EZINKULU EZINGEZOLAWULO LWENKUNKUMA
EDOLOPHINI, KWISITHUBA ESISUSELA KOWO1 UKUYA KOWAMA31
KWEYETHUPHA 2024**

3. DELEGATED AUTHORITY

In terms of delegation

This report is FOR NOTING BY

- Committee name** : Urban Waste Management
- The Executive Mayor together with the Mayoral Committee (MAYCO)
- Council

4. DISCUSSION

The overall health of the Urban Waste Management project portfolio is strong, with 64% of projects on track. However, 17% of projects are experiencing slippage, and another 17% are behind schedule. Key achievements include the completion of major scoping exercises and significant budget commitments. Major risks involve delays due to inclement weather

and procurement issues. Mitigation measures are being applied to projects experiencing delays and those without procurement vehicles in place at this stage.

Portfolio Budget Status is as follows:

- Total Budget (excluding contingencies and insurance contingency provisions): R381,314,118
- Spent to Date: R55,661,435.88 (15%)
- Committed Budget: R193,102,225.79 (50%)
- Unassigned Budget: R132,550,456.44 (35%)

The rollovers have been concluded during the August budget adjustment. At which the budget has significantly increase from the previous month.

4.1 PLANT & VEHICLES

- **Status:** On track
- **Current Stage:** Execution
- **Key Milestones:**
 - 1) Remaining orders to be placed during the month September.
 - 2) Conclude the Section 116(3) amendment of the CPA by December 2024.
 - 3) Deliveries are scheduled throughout the financial year.
 - 4) Conclude the CPA calculations and make necessary payments.
- **Key Achievements:** 70% of the budget committed and orders placed.
- **Major Issues:** None
- **Major Risks:** Orders based on CPA amendment approval.
- **Next Steps:**
 - 1) Place remaining orders
 - 2) Finalise CPA amendment
 - 3) Secure deliveries
 - 4) Calculate and pay CPA

4.2 MINOR UPGRADING WORKS

- **Status:** On track
- **Current Stage:** Execution
- **Key Milestones:**

- 1) Place orders for the generators in October.
 - 2) Achieve practical completion across various sites throughout the financial year.
 - 3) Conclude the CPA calculations and make necessary payments.
- **Key Achievements:** Scoping completed, over 60% of the budget committed and works have commenced at all facilities.
 - **Major Issues:** None
 - **Major Risks:** None
 - **Next Steps:**
 - 1) Conclude the tender transversal application and order generators.
 - 2) Complete construction works at all facilities
 - 3) Secure deliveries of generators
 - 4) Calculate and pay CPA

4.3 IT EQUIPMENT

- **Status:** On track
- **Current Stage:** Execution
- **Key Milestones:**
 - 1) Most orders to be placed during the month September.
 - 2) Deliveries are scheduled throughout the financial year.
- **Key Achievements:** Scoping completed, over 40% of the budget committed and some orders placed.
- **Major Issues:** The service provider appointed for some of the IT equipment is in a legal dispute with the City. The matter is anticipated to be heard in court in October/November. All contracts with this service provider are at risk.
- **Major Risks:** Funds planned to purchase CCTV equipment will be at risk if no resolution is found sooner with this legal matter. To mitigate the risk a project which is ready to absorb these funds at risk has been identified.
- **Next Steps:**
 - 1) Place remaining orders
 - 2) Secure deliveries
 - 3) Calculate and pay CPA

4.4 VISSERSHOK NORTH: DESIGN & DEVELOP AIRSPACE

- **Status:** Behind schedule, due inclement weather and consequential delays, which were more than what was provisionally allowed in the contract.
- **Current Stage:** Execution
- **Key Milestones:**
 - 1) Practical completion for the remaining works is provisionally planned for end of October.
 - 2) Conclude section 116(3) for the contract extension of time.
- **Key Achievements:** The 1st portion of the works achieved practical completion in May 2024.
- **Major Issues:** This dispute was launched by the City against a ruling made by the City's Agent on inclement weather and consequential delays, seeking for the ruling to be set aside and the claim submitted by the contractor be re-adjudicated. The dispute process is in progress, the adjudicator has been appointed and a resolution is expected by end of September 2024.
- **Major Risks:** If the dispute goes in favour of the contractor, there is a potential cost of R3M that will be required to cover the time-related cost. Practical completion will be revised based on the approved delay days. Hence, section 116(3) is in progress.
- **Next Steps:**
 - 1) Complete the remaining works.
 - 2) Resolve the dispute.
 - 3) Complete the section 116(3).

4.5 COASTAL PARK: DESIGN AND DEVELOP (MRF)

- **Status:** Behind schedule, due to contractor's poor performance.
- **Current Stage:** Execution
- **Key Milestones:** Practical completion for the remaining works in planned for end of September.
- **Key Achievements:** The 1st portion of the works achieved practical completion in March 2024.

- **Major Issues:** The contractor is in penalties, and a breach notice has been issued, which the contractor has responded with the commitment of completing the works by end of September. Failing to do so, the contract will be terminated.
- **Major Risks:** If the contract is terminated, the remaining budget at the time of termination will be at risk. Alternative options for completing the works after termination have been identified.
- **Next Steps:** Complete the remaining works for practical completion.

4.6 BELLVILLE: LFG INFRASTRUCTURE TO FLARING

- **Status:** On track
- **Current Stage:** Execution
- **Key Milestones:**
 - 1) Conclude the contract amendment.
 - 2) Secure the additional funding required.
 - 3) Commence with the execution of the planned works.
- **Key Achievements:** Scoping completed. The contract time variation for another 6 months has been approved.
- **Major Issues:** Additional budget is required to complete the planned work for this financial year. Potential projects which funds can be received from have been identified.
- **Major Risks:** None
- **Next Steps:**
 - 1) Contract amendment signed by all parties.
 - 2) Secure the additional funding required.
 - 3) Commence with the execution of the planned works.

4.7 FURNITURE & OFFICE EQUIPMENT

- **Status:** On track
- **Current Stage:** Execution
- **Key Milestones:**
 - 1) Conclude the RFQ process for the office equipment in month of September.
 - 2) Place orders for all remaining items in the month of September and October.
 - 3) Deliveries are scheduled throughout the financial year.

- **Key Achievements:** Scoping been completed and procurement vehicle for the furniture is secured.
- **Major Issues:**
 - 1) In the furniture contract, the main service provider's contract is being terminated. The standby has been activated. With the change in service providers, the cost of items are higher than the main service provide. Because of budget constraints, the number of items planned to be procured will be reduced.
 - 2) The procurement vehicle for the office equipment is not in place, but the process is in progress and planned to be conclude in the month of September.
- **Major Risks:** The budget for the office equipment is at risk, as there is no procurement vehicle in place at the moment.
- **Next Steps:**
 - 1) Place orders for furniture.
 - 2) Conclude the RFQ process for office equipment, and place orders.
 - 3) Secure deliveries

4.8 MECHANICAL EQUIPMENT: REPLACEMENT FY25

- **Status:** On track
- **Current Stage:** Procurement
- **Key Milestones:**
 - 1) Conclude the RFQ process for the office equipment in month of October.
 - 2) Place orders for the item (compressor) once the contract is active. This is an off-the-shelf item.
 - 3) Delivery is expected before end of the year.
- **Key Achievements:** Scoping been completed.
- **Major Issues:** The procurement vehicle is not in place, but the process is in progress and planned to be concluded in the month of October.
- **Major Risks:** The entire budget is at risk, as there is no procurement vehicle in place at the moment.
- **Next Steps:**
 - 1) Conclude the RFQ process for the compressor, and place an order.
 - 2) Secure delivery

4.9 SHIPPING CONTAINERS - REPLACEMENT

- **Status:** On track
- **Current Stage:** Procurement
- **Key Milestones:**
 - 1) Conclude the RFQ deviation process for the shipping containers in month of September. BEC plans to be at BAC for final award on 16 September 2024.
 - 2) Place orders of containers once the contract is active.
 - 3) Delivery of containers will be throughout the financial year.
- **Key Achievements:** Scoping been completed, and RFQ evaluation has been concluded.
- **Major Issues:** The procurement vehicle is not in place, but the process is in progress and planned to be concluded by October 2024.
- **Major Risks:** The entire budget is at risk, as there is no procurement vehicle in place at the moment.
- **Next Steps:**
 - 1) Conclude the RFQ process, and place orders.
 - 2) Secure deliveries

4.10 TRUNK RADIOS: REPLACEMENT FY25

- **Status:** On track
- **Current Stage:** Procurement
- **Key Milestones:**
 - 1) Conclude the tender process for the trunk radios in month of December.
 - 2) Place orders once the contract is active.
 - 3) Delivery of trunk radios will be throughout the financial year.
- **Key Achievements:** Scoping been completed.
- **Major Issues:** The procurement vehicle is not in place, but the process is in progress and planned to be concluded by December 2024.
- **Major Risks:** The entire budget is at risk, as there is no procurement vehicle in place at the moment.
- **Next Steps:**
 - 1) Conclude the tender process and place orders.
 - 2) Secure deliveries

4.11 KWMF MATERIAL RECOVERY FACILITY REFURBISHMENT

- **Status:** On track
- **Current Stage:** Detailed design
- **Key Milestones:** Complete detailed design development by end of the financial year.
- **Key Achievements:** Concept design completed, and PSP are appointed for detailed design development.
- **Major Issues:** The PSP has proposed an approach different from the approach the PSP were appointed for, which has been rejected, and have been instructed to proceed as per their appointment. The PSP has however showed reluctance to proceed, as no progress has been made to date. The matter has been referred to Engineering Management Unit and Legal for advice, as this is a breach of contract.
- **Major Risks:** If the appointment of the PSP is terminated in this works project, the project will be at risk. The transversal application for another PSP tender has been initiated as a contingency measure.
- **Next Steps:**
 - 1) Obtain contractual advice and put the PSP to terms of contracts.
 - 2) Commence with detailed design development.

4.12 MAJOR UPGRADE OF FACILITIES – MAITLAND

- **Status:** On track
- **Current Stage:** Detailed design
- **Key Milestones:** Complete detailed design development by end of the financial year.
- **Key Achievements:** Concept design completed, and PSP are appointed for detailed design development.
- **Major Issues:** None
- **Major Risks:** None
- **Next Steps:** Complete detailed design development.

4.13 CONSTRUCTION OF CBRF - FISANTEKRAAL DROP OFF

- **Status:** On track
- **Current Stage:** Detailed design

- **Key Milestones:** Complete detailed design development by end of the financial year.
- **Key Achievements:** Concept design completed, and PSP are appointed for detailed design development.
- **Major Issues:** Additional budget is required to complete the detailed design development. Potential projects which funds can be received from have been identified.
- **Major Risks:** None
- **Next Steps:**
 - 1) Secure the additional funding.
 - 2) Complete detailed design development.

4.14 SCHAAPKRAAL DEPOT UPGRADE (PHASE 2)

- **Status:** On track
- **Current Stage:** Detailed design
- **Key Milestones:** Complete detailed design development by end of the financial year.
- **Key Achievements:** Concept design completed, and PSP are appointed for detailed design development.
- **Major Issues:** Additional budget is required to complete the detailed design development. Potential projects which funds can be received from have been identified.
- **Major Risks:** None
- **Next Steps:**
 - 1) Secure the additional funding.
 - 2) Complete detailed design development.

4.15 SCOTTSDENE DEPOT UPGRADE

- **Status:** On track
- **Current Stage:** Detailed design
- **Key Milestones:** Complete detailed design development by end of the financial year.
- **Key Achievements:** Concept design completed, and PSP are appointed for detailed design development.
- **Major Issues:** Additional budget is required to complete the detailed design development. Potential projects which funds can be received from have been identified.
- **Major Risks:** None

- **Next Steps:**
 - 1) Secure the additional funding.
 - 2) Complete detailed design development.

4.16 KILLARNEY DROP-OFF UPGRADE WASTE MINIMISATION

- **Status:** On track
- **Current Stage:** Detailed design
- **Key Milestones:** Complete detailed design development by end of the financial year.
- **Key Achievements:** Concept design completed, and PSP are appointed for detailed design development.
- **Major Issues:** None
- **Major Risks:** None
- **Next Steps:** Complete detailed design development.

4.17 CONSTRUCTION OF WORKSHOP – VISSERSHOK

- **Status:** On track
- **Current Stage:** Detailed design
- **Key Milestones:** Complete detailed design development by end of the financial year.
- **Key Achievements:** Concept design completed, and PSP are appointed for detailed design development.
- **Major Issues:** None
- **Major Risks:** None
- **Next Steps:** Complete detailed design development.

4.18 ARTS MATERIAL RECOVERY FACILITY

- **Status:** Behind schedule, as the concept design has to be redone due to failure to secure the land parcel planned for phase 2.
- **Current Stage:** Concept design
- **Key Milestones:** Complete concept design development by end of the financial year.
- **Key Achievements:** Scoping completed and concept design development has commenced.

- **Major Issues:** The project is still at a stage that requires operational funding, not capital funding. Therefore, the capital budget available this financial year will not be spent, and funds will be moved to other projects that require additional funding, or moved out funds during the January adjustment.
- **Major Risks:** None
- **Next Steps:**
 - 1) Complete the concept design development.
 - 2) Move the capital funds.

4.19 KUILS RIVER DEPOT UPGRADE (PHASE 2)

- **Status:** Behind schedule, due to change in operational requirements, which necessitated the change in project brief.
- **Current Stage:** Initiation
- **Key Milestones:**
 - 1) Approval of the project charter in the month of September.
 - 2) Commence with scoping stage.
- **Key Achievements:** Project brief has been received from the client department.
- **Major Issues:** The project is still at a stage that requires operational funding, not capital funding.
- **Major Risks:** Due to the issue identified, the entire budget is at risk. The mitigation measure is to move funds to other projects that require additional funding, or moved out funds during the January adjustment.
- **Next Steps:**
 - 1) Approve project charter and commence with scoping stage.
 - 2) Move capital budget.

4.20 VISSERSHOK: LFG INFRASTRUCTURE TO FLARING

- **Status:** On hold, as the annual assessment that was conducted found that there are no additional lines are required at this stage.
- **Current Stage:** Execution
- **Key Milestones:** None
- **Key Achievements:** None

- **Major Issues:** The annual assessment that was conducted found that there are no additional lines are required at this stage. The entire budget to be moved to projects that require additional funding, or moved out during the January adjustment.
- **Major Risks:** None
- **Next Steps:** Move capital budget

4.21 COASTAL PARK: LFG INFRASTRUCTURE TO FLARING

- **Status:** On hold, as the annual assessment that was conducted found that there are no additional lines are required at this stage.
- **Current Stage:** Execution
- **Key Milestones:** None
- **Key Achievements:** None
- **Major Issues:** The annual assessment that was conducted found that there are no additional lines are required at this stage. The entire budget to be moved to projects that require additional funding, or moved out during the January adjustment.
- **Major Risks:** None
- **Next Steps:** Move capital budget

4.22 DE GREDEL DROP-OFF UPGRADE WASTE MINIMISATION

- **Status:** On hold, due to illegal occupation of the site.
- **Current Stage:** Detailed design
- **Key Milestones:**
 - 1) Approval of the land use management application.
 - 2) Obtain eviction order.
 - 3) Conclude the detailed design development.
- **Key Achievements:** Concept design has been completed, and submitted the land use management application.
- **Major Issues:** There is an illegal occupant on the site and eviction process is in progress.
- **Major Risks:** Until the eviction process has been concluded, the project is on hold. This will push-out the project timelines significantly. As a result, the cost of the project might increase as well.
- **Next Steps:**

- 1) Conclude the land use management application.
- 2) Await the eviction process to be concluded.

4.23 WOODSTOCK DEPOT UPGRADE

- **Status:** On hold, due to land contamination.
- **Current Stage:** Detailed design
- **Key Milestones:** Address the land contaminated issues as administrated by the Department of Environmental Affairs and Development Planning.
- **Key Achievements:** Concept design completed.
- **Major Issues:** It has been found that land has been contaminated. The process to address this matter is in progress, as administrated by the Department of Environmental Affairs and Development Planning. At this stage, it is unknown as to how long will it take to conclude this matter.
- **Major Risks:** None
- **Next Steps:** Commence with the initial steps as advised by the Department of Environmental Affairs and Development Planning.

4.24 KWMF WEIGHBRIDGE INFRASTRUCTURE UPGRADE

- **Status:** In cancellation, as the scope of work for this project is executed on another project.
- **Current Stage:** Initiation
- **Key Milestones:** None
- **Key Achievements:** None
- **Major Issues:** The project to be cancelled and funds to be moved to other projects. This work is being executed by another project. Therefore, this project is a duplication.
- **Major Risks:** Budget at risk and funds will be moved to other projects that require additional funding, or moved out during the January adjustment.
- **Next Steps:** Move capital budget

5. CONCLUSION

The Urban Waste Management Directorate's capital projects portfolio is progressing well overall with several projects nearing completion. The Directorate is addressing the identified

challenges and implementing the recommendations, this will ensure the successful and timely completion of all projects. Continued focus on effective project management, procurement planning, and risk mitigation will be key to achieving future targets.

Financial Implications None Opex Capex
 Capex: New Projects
 Capex: Existing projects requiring additional funding
 Capex: Existing projects with no additional funding requirements

Policy and Strategy Yes No

Legislative Vetting Yes No

Legal Implications Yes No

Staff Implications Yes No

Risk Implications Yes The risks for approving and/or not approving the recommendations are listed below:
 No Report is for decision and has no risk implications.
 No Report is for noting only and has no risk implications.

POPIA Compliance Yes It is confirmed that this report and the content of the annexures have been checked and considered for POPIA compliance.

6. RECOMMENDATIONS

This report is for noting.

AANBEVELINGS

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Ingxelo yenzelwe ukuba iqwalaselwe.

ANNEXURES

N/A

FOR FURTHER DETAILS CONTACT

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DIRECTORATE	Urban Waste Management	FILE REF NO	

Approval Form
Supported for inclusion on the agenda



UWM CAPITAL ITEMS PROGRESS STATUS UPDATE REPORT FOR AUGUST 2024

Report Reference: 526663
Meeting: Section 79 Portfolio Committee - Urban Waste Management
Meeting Date: 07.10.2024
Meeting Venue: Council Chamber
Contact Person: Salome Sekgonyana
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Item	Section	Approver	Approval	Approved Date	Approver Comments
01	Author	SALOME THAGE	Approved	18.09.2024 15:08:55	Reviewed
02	Director/Directorate Support Manager/Chief	Nompilo Nani	Approved	18.09.2024 15:17:58	Approved on behalf of the Manager:PMO
03	Executive Director	Nonqaba Mayisela	Approved	23.09.2024 10:50:25	
04	Legal Compliance	Jason Sam Liebenberg	Approved with Comments	23.09.2024 12:52:14	For information.

ECS Officer: