



public works

Department:
Public Works
REPUBLIC OF SOUTH AFRICA

INTERNAL MEMORANDUM

To:	Honourable Deputy Minister	Ref:	PP A
From:	BK KHANYILE	Office :	REGIONAL MANAGER DURBAN
Tel:	(031) 314 7000	Fax:	(031) 368 7056

Subject: DISCUSSION OF APPORTIONMENT OF COSTS BETWEEN STATE AND PRINCIPAL

Project : DURBAN : PRESTIGE PROJECT "A" : SECURITY MEASURES

WCS: 047455

1. AIM :

The aim of this submission is to provide the all applicable information to Top Management in line with the apportionment of cost between State's responsibility and Private (cost to the owner).

2. BACKGROUND.

- 2.1 The Planning instruction received and instructing this office to proceed with the project indicated that the National Department of Public Works must provide "Security Measures in line with Cabinet Regulations".

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- 2.2 The works had been designed and partly implemented over since 2010. This office requested assistance from HO Professional services to assist with the apportionment of the costs of the works between the State and the Owner, especially in shared services and new installations.
- 2.3 This exercise is now completed and provided in the attached document entitled "**MOTIVATIONS AND COST ALLOCATIONS PROPOSAL No. 3**" for your information.

3. DISCUSSION

- 3.1 The document indicates that the scope of the works is divided into the following categories:
- | | |
|--------------------------------|-----------------|
| 3.1.1 Public (State) portion: | R203,079,677.18 |
| 3.1.2 Private (Owner) portion: | R 10,651,580,64 |
- 3.2 The scope of works included in the Public is approved and agreed in the meeting held in HO on 10 March 2011 and is in the process of being implemented and shall be concluded in line with the Mandate given to the NDPW.
- 3.3 The portion included under "Private" required additional attention before this can be implemented as it falls outside the scope of security measures. Please note that the implementation of some of these issues was unavoidable and some had already been completed. The completed items includes the following (references taken from the summary pages)

- Item 18. Electrical reticulation (phase I) R45,000.00
- Item 18. Electrical reticulation (phase II) R10,000.00
- Item 18. Lightning protection R150,000.00

3.4 The following items had been designed in line with the comprehensive site design as required from the Professional team, but fall outside the scope of security measures:

- Item 11. Fire Pool and parking (decorations) R260,000.00
- Item 18. Civil works R10,000.00
(associated builders works)
- Item 19 Detailed landscaping
 - Zone A arrival node R42,900.00
 - Control room and visitors lounge R80,000.00
 - Social node R1,178,685.00
 - Residential arrival R562,720.00
 - Zone C Residential dwellings R167,000.00
 - Rehabilitation R500,000.00

3.5 It was agreed at that meeting that the Department cannot implement any of the works included in the indicated above without the written instructions from Top management to do the same. This is a precaution that must be taken as the works falls outside the mandate given to the Department.

3.6 It is proposed that the works included herein be discussed between Top Management and Ministry and guidance be given to the way forward with these issues. It may be necessary to

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discuss these issues with the Principal as the financial implication directly affects him(He may want to implement these issues himself without the interference of the Department or else he may want to opt to reimburse the Department after we complete the same)

4. RECOMMENDATION

It is recommended that the Top Management and Ministry approve the following:

- That the scope of works falling within the mandate of the Department continues as previously instructed.
- That the scope of works apportioned to the Principal be discussed and guidance be given to the Team pertaining on the implementation thereof before construction will continue. Please note that any member of the Project Team will be available for any discussion that may be needed.


Signed : Mr BK Khanyile

Regional Manager : Durban

Date: 18/03/2011

Supported / Not Supported

Signed : CD / Professional Services

Dated: _____