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## **North West Public Works Transport and Roads terminates a R137.5m tender with, Ilima Projects /Tsoga Developers Joint Venture (JV) contracted to build government office complex in Vryburg.....**

**Date:** Thursday, December 17, 2009

North West department of Public Works, Roads and Transport has terminated the R137.5m contract with the construction company Ilima Projects-Tsoga Developers Joint Venture (JV), which was awarded a tender to build a government office complex -Mini-Garona- in Vryburg.

The decision was informed by the company's "poor performance" on the project and their "failure to meet targets" as agreed to, in their 24-month contract with the department.

The start date of the Vryburg government office building was July 25, 2006 and the expected completion date was July 25, 2008.

The construction company requested an extension- which was granted-to at least finish the project by October 12, 2009, the dead line which they also failed to meet two months later.

The stalled project has been compounded by numerous stops and starts in the past two years with the department coming within a whisker to terminate the contract last year.

The decision to show the JV the door followed a stern warning by MEC Mahlakeng Mahlakeng to other contractors that:

"There will be no room for non-performance or cutting corners with shoddy workmanship. Contractors, including emerging ones, must begin to perform or risk being shown the door.

"We will be ruthless on underperforming contractors who waste valuable time and public funds on projects and in so doing compromise government's ability to deliver services to the people," Mahlakeng warned.

He said the termination of the JV, ``had nothing at all'' to do with the budget pressures his department was experiencing at the moment in the roads directorate or the companies' court application for provisional liquidation.

It is expected that the department will set-up a professional team to assess the balance of work at the stalled Vryburg project and reconcile a bill of quantities.

The move would give the department options to consider as a way forward in the next few months. These may include, going on an open tender for the completion of the remainder of the work still to be done in the new year.

\*Meanwhile, Mahlakeng confirmed that Ilima Projects/Tsoga Developers JV, performance will be closely monitored at the 200-bed hospital in Brits. The same JV was awarded a R465m contract by the department in July 2008 to build the health facility for the provincial department of Health and Social Development in the Bojanala District.

**END**

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