



# LTE Consulting (PTY) LTD has not ‘captured’ the Lesotho Highlands Water Project Phase 2

Media reports of July 10 which claimed that LTE Consulting is an incompetent black engineering firm that had “captured” Phase 2 of the prestigious Lesotho Highlands Water Project (LHWP) are completely unfounded and are without substance.

For the record, LTE Consulting (PTY) LTD, a division of LTE Holdings, is one of the largest and most prolific 100% black-owned, multi-disciplinary consulting engineering companies in Southern Africa. The Company boasts a Level 1 BBEE status as well as a highly competent team of engineers with vast experience in civil and structural engineering in large-scale infrastructure development. We are an ISO 9001 Certified Company, having scooped numerous awards in both the Engineering and Business sectors.

Since 2012, when we launched our company’s Africa Strategy, whose motto is “**Building a Better Africa**”, LTE Consulting (PTY) LTD has been focusing on ensuring that we are well placed to respond to opportunities, especially in the Southern African Development Community (SADC). We are confident in our ability and capacity to deliver on large-scale projects. We have demonstrated this in numerous projects that we have delivered in Botswana, Swaziland, Lesotho, Namibia, Zambia, Mozambique and Kenya to diversify our project portfolio and leverage on the partnerships we had cultivated over the past 15 years of operation.

We wish to put it firmly on record that when LTE Consulting first made initial dealings with the Lesotho Highlands Development Authority (LHDA), as far as we can readily ascertain, the Honourable Minister Nomvula Mokonyane was not yet Minister of Water Affairs and Sanitation, nor was it a factor at any point. We nonetheless thank the Minister for affording us the opportunity to explain our involvement on the LHWP.

As is common knowledge, Phase 1 of the LHWP was commissioned in the mid 1990s and was completed in 2002, and it was not without controversy, having been plagued with corruption. Between 2004 and 2014, there were ongoing discussions on Phase 2. In March 2014, Phase 2 of the project was officially launched by the governments of Lesotho and South Africa and included the construction of the Polihali Dam, extension of the Muela Hydroelectric Complex, construction of a 38.2km water transfer tunnel connecting the Polihali Reservoir with the hydroelectric complex, access roads to the project sites, camps, power transmission lines and administration centres, with the intention of each being awarded as separate projects.

### Our involvement in the LHWP

LTE Consulting, as with the other Professional Service Providers, responded to the tenders that were issued by LHDA in 2014/5, and as part of the bidding process in all the contracts we responded to, we attended all the pre-bidding briefings as required by the LHDA and submitted our Bids before the closing date and time. LTE would like to state categorically that as of 21 July 2016, the Company has not been awarded any of the contracts by the LHDA for Phase 2 of the LHWP.

In all instances, LTE Consulting (PTY) LTD was shortlisted. Also shortlisted were VIP Consulting Engineers, MWH-GWC-Worley Parsons, WAPCOS LTD, Element Consulting & Mahab Ghodss, Metsi A Senqu Khubelu, Matla a Senqu-Khubelu Consultants, Polihali Dam Letsema Consultants, Sobek Consulting Engineers and LTE /Engevix Consortium.

### The contracts awarded to date

Documentation from the LHDA website shows that three contracts were awarded, with all the three preferred bidders publicly identified.

1. The Lesotho Highlands Development Authority (LHDA) has awarded the professional services contract for the planning, design and construction supervision of the housing and associated infrastructure for Phase II of the Lesotho Highlands Water Project (LHWP) to Polihali Infrastructure Consultants (Pty) Ltd, a joint venture between Mott MacDonald PDNA (Pty) Ltd and Khatleli Tomane Moteane (Pty) Ltd. Work on this R74.3 million contract .
2. LHDA also award three contracts for the design and supervision of the construction of the Polihali North East access road, a contract for the supervision of geotechnical investigations for the Polihali dam and the Polihali-Katse water transfer tunnel, and a contract for the demarcation of the Polihali reservoir. The Companies are;
  - (a) SMEC-FMA Joint Venture, a joint venture between Bloemfontein office of the international engineering consultancy, SMEC, and Lesotho-based civil and structural engineers, FM Associates (Pty) Ltd, is the appointed consultant.
  - (b) Jeffares & Green (Pty) Ltd in association with GWC Consulting Engineers has been appointed to undertake the supervision of the geotechnical investigations for the Polihali dam and the Polihali-Katse water transfer tunnel- Contract 3015.
  - (c) The demarcation of the Polihali Reservoir contract, Contract 3017, was won by a Maseru-based company, the Maleka, Ntshihlele, Putsoa Joint Venture.
3. The Lesotho Highlands Development Authority (LHDA) also announced that the Maleka, Ntshihlele, Putsoa Joint Venture has been awarded the contract for the demarcation of the Polihali reservoir.

### Timeline of LTE’s involvement in Lesotho

As part of our African Strategy, in 2013 we engaged with local businesses in Lesotho to form partnerships and pool resources to pursue work opportunities together.

**October 2013:** LTE Consulting establishes operations in Lesotho and secures business premises in Maseru. We register on the databases of various state-owned agencies, private and government departments as required by law.

**December 2013:** Our first database registration is completed and submitted to the Lesotho Department of Public Works. This process means we are eligible to be notified of all new work opportunities by these organisations like all service providers already registered on their databases.

**April 2014:** After the official launch of the LHWP in March 2014, the LHDA invites all professional service providers to a pre-bid briefing session to provide information on Phase 2 of the LHWP. LTE Consulting is part of this meeting. At the briefing session it is revealed by LHDA that tenders will be issued within the following six months to address the following:

**September 2014:** The LHDA invites all professional service providers to a pre-bidding site visit. The pre-bidding mandatory site visit is to be held in October 2014 for the following contracts:  
 (a) Contract LHDA 3015: Evaluation, optimisation and site

- supervision of geotechnical investigations for the Polihali Dam and Polihali-Katse Transfer Tunnel;  
 (b) Contract LHDA 3014: Professional services for the Polihali North East Access Road; and  
 (c) Contract LHDA 3017: Demarcation of Polihali Reservoir.

**October 2014:** A pre-bidding site visit for all registered vendors is held on October 1, 2014 in relation to LHDA contracts 3014, 3015 & 3017. During October and November of 2014, various clarifications are sent to all registered vendors who had attended the pre-bidding briefs to provide additional information that needed to be taken into consideration in relation to the contracts that LHDA was to issue. LTE Consulting (PTY) LTD prepares and submits its proposals for the published bids listed above.

**January 2015:** The LHDA again invites bids to which LTE Consulting (PTY) LTD responds by submitting its bids for Contract LHDA 3007: Professional Services for the Design and Construction Supervision of Polihali to Katse Transfer Tunnel and Contract LHDA 3004: Professional Services for the Design and Construction Supervision of the Polihali Western Access Road.

The third bid is for Contract LHDA 3006: Pre-qualification – Professional Services for the Design and Construction Supervision of Polihali Dam and Appurtenant. **This contract is cancelled and subsequently re-advertised for September 2015.**

**February 2015:** LTE Consulting (PTY) LTD responds to tenders issued by LHDA. The following contracts are published:

- (g) Contract LHDA 3019: Request for Proposals for the Design and Construction of Katse Lodge;
- (h) Contract LHDA 4016: Request for Proposals for Geotechnical Investigation for Polihali Dam and Polihali-Katse Tunnel; (i) Contract LHDA 6013: Request for Proposals for Professional Services for Resettlement Planning-Polihali North East access road

**August 2015:** LTE responds to Contract LHDA 3010: Expression of Interest for Professional Services for Phase 2 hydropower feasibility, further studies. It is submitted on 7 August 2015.

As a leading Professional Engineering Firm, we understand that the ratio of projects awarded versus projects tendered for is extremely low; such is the nature of the industry. We certainly do not enjoy any privileges or favouritism by any means. Having not been awarded any of the above projects, the LTE Bid Committee simply focuses on new work. We will continue to pursue work in Lesotho, as well as the rest of SADC and undoubtedly we will be awarded work. The Company has no intention to “capture” the Lesotho Highlands Water Project or any other project for that matter, and perceptions to that effect become sheer ridicule in the face of probity advisers and oversight committees.

Through sheer hard work and professionalism, our team of over 100 engineers have over the years established LTE Consulting as competent as, if not surpassing, many of our more esteemed colleagues and we have no intention of slowing down. Challenges make us stronger and better than ever.

LTE Consulting (PTY) LTD Directors: Thulani Majola (chairman and CEO), Kenneth Chitenhe and Emmanuel Thabethe

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## Lesotho Highlands Development Authority

### Contract LHDA 3006 Professional Services for the Design and Construction Supervision of Polihali Dam and Appurtenant Works

#### List of Applicants who Submitted Applications for Pre-qualification

1. **VIP Consulting Engineers Joint Venture** with Euroestudios S.L. (Spain) and TDF Planege-Consutores de e Gestao (Portugal)
2. **WAPCOS Ltd Joint Venture** with Global Engineering Consultants (Lesotho) & WR Nyebeze & Associates (South Africa)
3. **Metsi a Senqu Khubelu Joint Venture** with Aurecon SA (Pty) Ltd, Hatch Goba (Pty) Ltd, Knight Piesold (Pty), Ltd, SMEC SA (Pty) Ltd, FM Associates (Pty) Ltd:

#### SUB CONSULTANTS:

LL Construction Consultants, White Life Consultants (Pty) Ltd, Intertechne Consultores SA

4. **Polihali Dam Letsema Consultants Joint Venture** with AECOM SA (Pty) Ltd, AECOM Lesotho (Pty) Ltd, Royal Hasakoning DHV (Pty) Ltd and Ingetec.

#### SUB CONSULTANTS:

SM Consulting Engineers (Pty) Ltd, Jefferes & Green (Pty) Ltd, Tlou Integrated Tech CC

5. **Matla-a-Metsi Joint Venture** with GIBB (Pty) Ltd, Tractebel Engineering S.A. France, Mott MacDonald PDNA and LYMA Consulting Engineers

#### LTE Consulting

#### Sobek Consulting Engineers

8. **GWC Consulting Engineers, Worley Parsons and MWH UK Joint Venture**

#### SUB CONSULTANTS:

Senqu Engineering Environmental and Development Consultants (SEED Consult), Nonyana Hooхло & Associates Pty Ltd and Electromech Consulting Engineers, BICACON Pty Ltd (RSA), Artelia Eau & Environment (France) and J. B. Barry and Partners Ltd (Ireland)