



A Cat 329D L hydraulic excavator loads one of M&D's tipper trucks

M&D'S EXPANSION DRIVE

Khula Nathi (Zulu for 'Grow with Us') is Murray & Dickson Construction's (M&D's) motivational motto and one that defines and underscores the company's history to date. The company's current order book is close to R1 billion, with contract activities secured to the end of 2016 and going into 2017.

South Africa remains the primary focus. However, M&D is also actively looking to expand cross-border within the Southern African Development Community (SADC), in countries that are deemed to hold the best potential for new work. "We are tendering on a range of projects and are optimistic that we will land opportunities over the next 24 months," comments M&D Construction's CEO, Rukesh Raghurir, who joined M&D in 2006 to spearhead the launch of its evolving multi-disciplinary market offering.

Established in 1983, M&D has diversified from its traditional core focus in building and now fields Civil Engineering, Pipe Laying, and Roads and Earthworks divisions. The Group is currently ranked as an 8CE PE, 8GB PE and 6ME PE (Potentially Emerging) contractor in terms of the Construction Industry Development Board (CIDB) grading system, and M&D is in the process of applying for 9CE and 9GB, the highest ratings.

One of M&D's key offerings is the ability to field contractor-led design and build teams, with the expertise in-house to provide advice on the most cost-effective construction methodologies, supported by a highly experienced commercial department. "We are also open to considering 'Build Operate Train and Transfer' contracts, typical examples being in the waste water treatment sector," Raghurir expands.

Diversification has proven to be an excellent strategy for M&D in spreading the risk during past and current economic highs and lows. M&D's Pipe Division is a prime example, which since its launch in 2008 has gained major traction, responding to opportunities in the oil and gas and water sectors for both private and public sector clients.

The largest pipe laying project to date, valued at around R450 million, was completed in October 2015 and entailed the construction of a 43 km 1 016 mm diameter steel pipeline for Magalies Water, extending from New

Mafanya Reservoir to Evergreen in North West province. M&D was the lead contractor, working in joint venture with WK Pipelines.

Currently, work is now well advanced on another key project, this time for Rand Water's 06 Pipeline, where M&D is the main contractor. The project, valued at around R250 million, is due for completion in February 2016. The scope of work entails the installation of 8 km of 2,1 m diameter pipe in Alberton, Gauteng.

Allied to these activities, M&D recently completed a gas pipeline for a private client in Springs, Gauteng, and is researching new business in this segment at the Port of Saldanha, and in Mozambique, where there is significant potential.

M&D's Civil Engineering Division has now also commenced work on the construction of a 50 mega litre reservoir, situated near Sun City, at a contract value of around R110 m. On completion, this reservoir will add further capacity to the Pilanesberg Water Scheme supplying nearby mines within North West province's platinum and chrome markets.

From 2014, the introduction of the Roads and Earthworks Division added a further dimension in support of M&D operations generally. Here, outside the typical internal roads constructed for shopping centres and office parks, M&D intends expanding its presence in the provincial market. A longer-term goal is to bid on South African National Road Agency Limited (SANRAL) projects.

CAT EARTHMOVING FLEET

Supporting growth is a continued expansion in M&D's earthmoving fleet capabilities. The most recent acquisitions in September 2015 include latest generation Cat 924K and Cat 938K wheel loaders, a Cat 140K motor grader and Cat 329D2 L and Cat 323D2 L hydraulic excavators, supplied and supported by Barloworld Equipment, Caterpillar's southern African dealer.

These units now join a predominately Cat earthmoving fleet working across a range of M&D projects in South Africa. These include six side-boom pipe layers (four of which are Cat units). The combined fleet, which includes readymix and tipper trucks, tower cranes and mobile batch plants and screens, now numbers around 170, with backup support provided by M&D's field service commercial vehicles.

"In terms of earthmoving, we've decided to standardise on Cat going forward," says Raghurir, "a decision that has also been reinforced by our longer-term Southern African focus, where Barloworld Equipment has the best parts and service network."

BUILDING WITH NEC CONTRACTS

In terms of the building portfolio, M&D is the lead contractor on a number of landmark tertiary education projects that include the University of the Witwatersrand, and the new Sol Plaatje University in Kimberley.

Both of these projects are governed by an NEC3 framework agreement (the original NEC acronym standing for 'New Engineering Contract' following its first UK introduction in 1993).

The NEC contract framework (of which there are five options), was initially adopted in South Africa for civil and mechanical projects, being introduced for the building market on a trial basis from 2007. In the case of Wits and Sol Plaatje, the projects are governed by NEC3 Option C (Target Cost Contract).

"The key benefit of Option C is that if there is a project budget overrun, the client, contractor and the professional team all pay in on an agreed percentage basis," expands Raghurir. "However, the converse is also true: coming in below the budget means that all parties share in the profits. This makes NEC contracts fair, transparent and performance based and we would promote NEC agreements on all our divisional projects going forward."

Over the past eight years, M&D has completed more than R600 m in infrastructure and building projects at the University of the Witwatersrand. This includes the R170 million Wits Science Stadium.

As at Wits, M&D is completing works in parallel at Sol Plaatje. Having finalised the wet trades and finishing stages for the C003 phase, this project is scheduled for handover in January 2016. New work at Sol Plaatje commenced in September 2015 for scheduled completion in December 2016. This entails the construction of a six storey off-shutter concrete building to house the campus library.

Back in Gauteng, the building programme is now well advanced on the new Zamokuhle Hospital in Tembisa, for client Lenmed Health. The contract is valued at around R140 million. M&D's Building division has also started work on the construction of a new double storey ICU building for the Ahmed Kathrada Hospital in Lenasia for Lenmed Health.

Construction is progressing well at M&D's Reddford Northcliff Primary School contract for completion in January 2016. M&D project disciplines include site clearance, earthworks, building and the internal road layout. The client is Century Property Developments.

The Reddford earthworks programme entailed more than 80 000 m³ of cut to fill to create the four building terraces and playing fields. The construction of the internal road networks, parking areas and paving, as well as stormwater and underground services (water reticulation and sewage pipelines) forms part of the programme. M&D's new Cat 140K motor grader is now on site to complete the various layer works phases.

New work for the Building Division includes an M&D contract for the construction of a six storey extension to the existing PPS (Professional Provident Society) Head Office in Park Town, Johannesburg.

In terms of building, plans are in place to expand M&D's already strong presence in the commercial market, education and healthcare sectors into the housing segment for private developers and the mines.

These and other M&D project examples will be further refined by compliance with ISO 9001 (Quality), OHSAS 14001 (Environment) and ISO 18001 (safety) standards to meet and exceed its project delivery goals and customer expectations. Their implementation is planned within the next six months. ■



From left to right: Tiekie Thyse, plant foreman; Simon Mtembu, mechanic; Rowan Barnard, plant manager; Gerald McLoughlin (Cat Sales Professional, Barloworld Equipment); Rukesh Raghurir, Chief Executive Officer; Christo Botha, plant manager; Andrew Murray, chairman; and Chris Porter, Head: Roads & Earthworks