BVI GROUP

Kolomela drives EPCM infrastructure service arm

A single event can change the course you are taking. Born a small multi-disciplinary engineering firm, BVi Group’s contract for Kumba Iron Ore’s new Kolomela mine has seen its journey spread direction and evolve, writes Laura Cornish.
Vi Group’s (BVi) growth since its inception in 1967 has been a remarkable one. The company was established as a multi-disciplinary engineering firm offering ‘traditional’ consulting engineering services in the fields of civil, structural, electrical and mechanical engineering.

Today, the Level 2 BEE company has a 47% black ownership status and is 300 heads strong. And thanks to the success achieved through its Kolomela contract, it is now capable of offering engineering, procurement and construction management (EPCM) services across its respective infrastructure fields.

“This one single, but extremely significant project has provided us with the platform to further develop and continue with our newly established strategy: to become recognised as a true expert infrastructure EPCM contractor in the mining and industrial sectors,” explains Hennie Maas, BVi director of mining and major projects.

“There are very few infrastructure specialists that can offer the industry EPCM capability, adhering to all the stringent regulatory, compliance and safety standards that mining houses require from their contractors. We have identified the opportunity and need for this service, and we will develop this new business aspect going forwards in this niche field,” Maas continues.

Until recently, mining project infrastructure (all surrounding development needed to support the mining and process plant) has never received the significant priority attention it deserves when a new project emerges. Considering it often outweighs capital expenditure in any other area during project development phases, Maas believes the industry is starting to recognise its importance and treat it with equal priority to all other project aspects.

“Infrastructure is falling under the same umbrella as all project elements, making it of equal importance and an equal priority,” he adds.

Kolomela – BVi’s involvement

Although BVi is actively involved in the Northern Cape, providing EPCM services to the mining (heavy machine workshops for Sishen), public and private sectors, it is proud to be associated with the Kolomela project.

The Kolomela iron ore mine is one of Kumba Iron Ore’s latest greenfield mining projects. Situated just outside of Postmasburg, it will ramp up to its nameplate production capacity (9 Mtpa) in 2013.

“We started the project providing conventional consulting engineering skills, which we executed together with the owner’s team, but our contract evolved and became further responsible for the project’s infrastructure EPCM services. There are 68 BVi office staff and 12 on-site staff involved with the project.

Most notably, BVi was responsible for all bulk earthworks – moving in excess of 1.5 million cubic metres, dewatering the mining areas at a rate of 2 400 m³/h,
prefabricated electrical substations (developed off site in conjunction with Kumba), bulk fuel installation of 1.2 Mℓ of diesel and oils, heavy mining equipment workshops and all administrative buildings.

“We were also responsible for a major engineering portion of the company’s housing project, with some 750 housing units already established. We also created dedicated procurement, health and safety and planning departments to oversee and properly manage the workload.”

Although Kolomela is already producing, BVi remains active on site, under budget for its project scope and on time, and is still under way with the necessary infrastructure required for the mine’s ramp up to full production.

“Although we provided safety resources to the project, we did not manage the safety aspects, but form part of the overall team that helped Kolomela achieve its 15 million lost-time-injury-free hours.”

Maas adds that one of the company’s great challenges was facilitating, managing and interfacing between at least 30 different contractors on site, varying from major companies such as Group Five, Concor and Steffanuti Stocks to specialist and general contractors. “Interface and coordination management was a huge challenge and one of the major focus areas from a construction management point of view, as it is not easy to keep up with the required progress while interfacing between disciplines and working in a safe environment.”

The infrastructure development was implemented by 53 procurement packages to ensure cost effectiveness.

BVi’s future

“Thanks to Kolomela, we now truly know what we can achieve, and we have our sights set on attaining EPCM work in the rest of Africa next,” Maas outlines. “We may have worked in conjunction with the other project’s development, from conception and feasibility onwards.

“This alone is such a strong indication of the vital importance and necessity for quality, well-managed infrastructure services, especially from those who can offer the full EPCM service,” Maas notes.

“We can handle any infrastructure project, of any size, cost effectively, with a core team of infrastructure engineer specialists who have been together for four years,”

Maas continues.

And while some of the country’s local process engineers have been recognised as Tier 1 professionals, Maas believes it is important that they be distinguished for their specific skills, and players who offer different services, from an EPCM capability aspect, should be recognised in a similar manner.

“In terms of BVi’s traditional spectrum of engineering services, it currently has a reliable footprint across the country, enabling it to service almost all the districts and local councils countrywide. The company intends to increase its commitment and focus on local government by making use of an innovative project approach, including project finance models, Public-Private Partnerships and other asset management options. It is also constantly improving its green building department as well as its renewable energy delivery resources. BVi believes the future lies in renewable energy and is positioning itself accordingly.

The company is further expanding across borders to service its fellow SADC members with much needed skills and infrastructure requirements.

With regards to South Africa specifically, the company believes it has a significant role to play in assisting government in reaching its service delivery and aspirations.

ABOVE Heavy machinery washbay
RIGHT Heavy machinery workshop lubrication installation

“In addition to mining

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