

Headline	MRCB's TOD expertise clinches LRT 3 project
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KL Sentral experience likely tipped the scale in JV being appointed Project Delivery Partner for RM9 bil rail job



by Ooi Chia Shen

MALAYSIAN Resources Corp Bhd's (MRCB) expertise in transit-oriented development (TOD) likely tipped the scale for it to win the Project Delivery Partner's (PDP) job

with George Kent (M) Bhd for the RM9 bil LRT3 project.

MRCB developed KL Sentral, Malaysia's first TOD, which has a gross development value of about RM20 bil and a day population of 50,000 people.

Apart from being an integrated rail hub, the 29.1ha site also houses four hotels, at least six condominiums, luxury apartments and residential towers, 18 office blocks, and a host of commercial and dining outlets.

MRCB executive director Mohd

Imran Salim tells *FocusM* the group's expertise in TOD is a unique advantage which impressed Prasarana Malaysia Bhd, the owner of the Klang Valley light rail transit project, which includes LRT 3.

"I think one of the biggest differentiating factors for MRCB-George Kent is that we can provide advice on the design and implementation of TOD," he says.

With its track record in developing KL Sentral, Imran says MRCB will also tap Gen-Y trends. "We designed the TOD hub to be fully integrated with the development within the vicinity which emphasises convenience, accessibility and economic enhancement."

As the PDP, the JV and Prasarana need to plan and deliver the project

which consists of a 36km railway line between Bandar Utama and Klang in Selangor with 25 stations, says Imran.

"We are expecting 10 to 12 TODs to be built along this line," he says, adding the consortium is still working out the engineering details and planning before the project is broken down into various segments.

One of the potential TODs is said to be in I-Bhd's I-City where one of the stations is located. An industry source says retail malls Tesco Bukit Tinggi and AEON Bukit Tinggi in Bandar Bukit Tinggi, Klang, which will also have stations, could be selected for conversion into a TOD as well.

MRCB also won the bid to develop the town centre for Kwasa Damansara, Klang Valley's largest township development. The project will be an integrated TOD, with two MRT stations, on each end of the development.

The project will be undertaken through a special purpose vehicle company known as Kwasa Development (2) Sdn Bhd, 70% owned by MRCB and 30% by the Employees Provident Fund. MRCB is dishing out RM816.6 mil for the stake. The project is expected to start in 2017.

It was reported six JVs and individual companies vied for the LRT 3's PDP contract. They were Gamuda Bhd-MMC Corp Bhd JV, MRCB-George Kent JV, UEM Group Bhd, Naza Group and China-based partner CSR Zhuzhou Electric Locomotive Co Ltd, Sunway Bhd, as well as WCT Bhd and AlloyMtd group.

Consortium's capabilities

AmResearch Sdn Bhd says in its recent report MRCB is undertaking several LRT packages under the Klang Valley LRT Line extension worth RM1.2 bil. "These are Ampang Line Package B - main facilities & segmental box girdles [SBG] (RM994 mil), Kelana Jaya Package B SBG (RM77 mil) and LRT stations 6 & 7 (RM88 mil)."

The report notes George Kent had won a system work job for the Ampang LRT line extension (LRT 2) together with Lion Pacific.

An industry observer says MRCB and George Kent got along during the construction of LRT 2 (Ampang Line extension). Though there was no contractual agreement then, they managed to work together very well, he adds.

"That is where their partnership grew as they collaborated in LRT 2 and this has enhanced the JV further," he adds.

Imran says the JV has the necessary capabilities and technical expertise to deliver the LRT3 project.

MRCB specialises in civil works in terms of building infrastructure, and George Kent has the edge as system expert in providing signalling and IT systems linking the railway network, he adds.

"The consortium offers the full package to do the job. We are able to implement large-scale construction and also handle rail works in terms of electrical engineering works and safety-related issues. George Kent has the forte to fit into the missing puzzle," he explains.

With LRT 3 running through highly-populated areas, Imran says many statutory processes need to be taken care of with local authorities. "The planning process is expected to be completed by the end of this year."

Construction to start in Q1 next year

Construction work is expected to start in Q1 next year and due for completion by Q1 of 2020. Rail services are scheduled to start by Q3 the same year.

On the possible property projects near the LRT 3 areas, Imran says there are pockets of land owned by Prasarana that could be developed.

"It is up to Prasarana to decide who its partner will be to build properties along the LRT 3 line. However, this is at the later stage where proper due dil-

igence and selection process will be carried out.”

On foreign and local workforce composition, Imran says the consortium is still working out the details with Pras- arana. However, he believes local talent

will most likely contribute to the project.

“In the beginning, we did not have local talent with the required knowledge. Hence, we needed expatriates to come in to conduct the work and teach the locals at the same time.

“Now we are using local workers in all MRCB’s jobs. Thus, we will only hire foreign advisers for certain areas where we do not have any expertise or experi- ence. It all depends on the strategy and planning (for LRT 3).”



Imran says the MRCB-George Kent JV has the necessary capabilities and technical expertise to deliver the project



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