★business

UP TO DATE, ACCURATE BUSINESS INFORMATION NEWS YOU CAN USE, EVERY DAY

Macharia orders fresh search for new KAA chief executive

BY MARTIN MWITA

TRANSPORT and Infrastructure Cabinet secretary James Macharia has halted the recruitment of Kenya Airports Authority's new boss citing irregularities.

In a press statement, Macharia directed that the process that began last November be undertaken by "a reputable and competent professional firm with the requisite capacity", to be "undertaken and completed expeditiously and without any delays".

The recruitment process by the board of KAA was first advertised on November 20, 2015.

The position fell vacant after former MD Lucy Mbugua was fired on June 26, by the David Kimaiyo chaired board, over corruption allegations linked to the infamous passenger transfer services tender (Apron Bus Services) at the Jomo Kenyatta International Airport.

Mbugua was sent packing alongside general manager finance John Thumbi and acting airport engineer Christopher Warutere.

Mbugua took over from Stephen Gichuki.

"It has now come to my attention that the process has been unduly interfered with , thus resulting in doubts on the credibility of the anticipated outcome," Macharia said yesterday.

"Therefore, and in exercise of the powers and oversight role conferred to the Cabinet secretary by the KAA ACT CAP 395 of the laws of Kenya, I have taken and communicated this decision to the board at the meeting held on January 11, 2016," he added.

The CS's decision seems in line with the Consumer Federation of Kenya's concerns raised in December.

Cofek moved to court to stop the recruitment process, accusing KAA of advertising the position without following recommendations from the Commission of Administrative Justice.

The federation also faulted the Authority's requirement that candidates have a degree from a "globally recognised institution of higher learning".

Former Mombasa's Moi International Airport manager Yatich Kangugo has been acting since Mbugua was shown the door.

Last year, President Uhuru Kenyatta questioned the leasing of five buses by KAA at more than Sh11 million per month and ordered the arrest of those involved in the tender.

The buses, whose tender approval was sought and granted in 2011, were acquired through an open tender later awarded to Relief & Mission Logistics at a cost of $120,000 (Sh12.3 million) per month-current exchange rate.

They ferried passengers between the aircraft and terminals.

Photo/ FILE

SENT PACKING: Former KAA MD Lucy Mbugua when she appeared before the National Assembly's Public Investment Committee on June 16 last year.

Kenya Power last mile project deferred again

BY LOLA OKULO

CHEAPER electricity connections will now begin in April, seven months behind schedule, as Kenya Power yesterday sought local supplies of the required materials

In a public notice, the electricity distributor asked local manufacturers to prepare to supply poles, conductors, cables, bolts and nuts to its contractors for the project which also seeks to support Kenyan firms.

"Kenya Power will commence the implementation of the Last Mile Connectivity project from April 2016 on turnkey basis as part of the government's plan to improve connectivity coverage from the current 40 per cent to 70 per cent by December 2017," the company said yesterday.

The project which was announced last May by President Uhuru Kenyatta was initially supposed to start in September 2015.

The company has previously attributed the delay to slow disbursment of funds from African Development Bank. The first phase of the project is expected to cost Sh13.5 billion.

The project which targets to cover 314,200 homes under the first phase is jointly financed by the Kenya government and AfDB.

Last week the firm said it has finally received all the funds required from AfDB, setting the stage for home connections to begin.

Kenya Power said it will require about 480,000 wooden treated poles that are 10 metres long and 140 millimeters wide.

It is also inviting bids for 48,000 kilometres of low voltage network conductors and cables, shackle insulators, bolts and nuts.

Kenya Power said previously that contractors who were named in December are already on the ground doing infrastructure designs.

Under the project, KPLC is to connect households within 600 metres of targeted 5,320 transformers countrywide at a cost of Sh15,000 from a previous power connection cost of Sh35,000.

Malaba to get modern cargo facility

BY MERCY GAKII

LOGISTICS company Spedag Kenya will spend Sh137.8 million ($1,346,074) to develop the Malaba Railway Yard into an intermodal cargo transfer facility, a first in the region.

Half of the total project funding, Sh68.9 million ($673,037), is a reimbursable contribution, coming from Logistics Innovation for Trade, managed by Trade Mark East Africa.

The 18-month project, expected to begin next month February and be completed in June 2017, will improve storage, handling, and consolidating of cargo from rail to road and vice versa, to reduce costs of transport logistics for cargo.

"The project will not only reduce transit times for cargo transiting through the Malaba Railway Yard, but reduce the transportation costs along the Northern Corridor route – the target being a 20 per cent reduction in transit times between Mombasa and Nimule by the project's end," said David Mitchel, the fund manager in an email interview.

He said the project's funding is awaiting the board's approval.

The project will enable movement of cargo by rail from Mombasa port, then later the cargo can be loaded to trucks for onward transportation to other destinations in EAC, he said.

It will link Kenya, Uganda, Rwanda, Burundi, Democratic Republic of Congo and South Sudan to the port through rail and road.

Intermodal freight transportation is movement of freight using more than one means, and all parts of the transportation network are effectively connected and coordinated.