

**SECTION 2.1 SPECIFICATIONS**

**LEASING OF A PORTION (15 468 SQ.M) OF ERF 162, WITSAND (KNOWN AS THE WITSAND WEST CARAVAN PARK) FOR A PERIOD OF NINE (9) YEARS AND ELEVEN (11) MONTHS WITH THE RENEWAL OPTION FOR A PERIOD OF NINE (9) YEARS AND ELEVEN (11) MONTHS:**

**1. Introduction:**

The Hessequa Municipality is desirous to lease out a portion (15 468 sq.m) of erf number 162, Witsand known as the Witsand West Caravan Park, for a period of 9 years and 11 months with a renewal option for a period of 9 years and 11 months. The successful bidder may only operate a caravan park from the property.

**2. Background:**

The Hessequa Municipality currently operates the Witsand West caravan park as such. The caravan park are accessible to the general public on condition that the prescribed fee are paid in advance.

**3. Technical Specifications**

Specifications	Comply Yes/No	Page to reference
<p><b>3.1 Lease agreement:</b></p> <p>The successful bidder must be willing to enter into a lease agreement with the Hessequa Municipality, attached as <b>Annexure A</b>. The terms and conditions as set reflected in the lease agreement must be read together with the tender specifications as the successful bidder must comply with the tender specifications and the lease agreement conditions.</p>		
<p><b>3.2 Description of the Property:</b></p> <p>The extent of the property are 15 468 square meters. Attached as <b>Annexure B</b> is a google earth image that indicates the size of the property to be leased out.</p> <p>The property includes:</p> <ul style="list-style-type: none"> <li>• 92 Caravan stands with electricity</li> <li>• 3 Ablution facilities</li> <li>• 1 Washing and ironing area and 1 store area.</li> <li>• 1 Caretakers house – at Witsand Middel caravan park</li> <li>• 1 Dishwashing area</li> </ul>		
<p><b>3.3 Tariffs and accessibility to the Resort:</b></p> <p>The maximum tariff the Lessee may charge during the peak season (December 2024) is R700.00 per stand per night for a maximum of 4 persons. The amount of R700.00 may be increased by 10% per annum. This amount excludes any additional costs such as vehicles and additional persons etc. The Lessee will be allowed to set his/her</p>		

<p>own tariffs for the non-peak and mid-season tariffs (all other periods excluding the peak period). No person that pays the tariff may unreasonably be denied access to the caravan park.</p>		
<p><b>3.4 Purpose and allowable activities at the Witsand West caravan park:</b></p> <p>The property may solely be used by the successful bidder for the purpose of conducting thereon a holiday resort and the usual services/activities associated with a Holiday Resort and for no other purpose save with the Lessors prior written consent.</p> <p>The successful bidder must ensure that the Holiday Resort remains open for business throughout the period of this lease. The Holiday Resort may be closed from time to time for maintenance and upgrading purposes.</p>		
<p><b>3.5 Payment for services such as Water, Electricity, Sewerage, Refuse removal and property rates:</b></p> <p>The successful bidder will be responsible to pay all service charges levied by the local authority, which includes the basic service fee, as well as the consumption (where applicable) of water, electricity, sewerage and refuse removal in accordance with the approved tariff policy of the local authority. The Lessor shall be liable for the payment of the property rates.</p>		
<p><b>3.6 Insurance:</b></p> <p>The Lessor shall insure the property against all risks at its replacement value. The Lessee will be responsible for the co-payment if the insurance claim is approved. The Lessee will be responsible to insure the contents of the buildings.</p>		
<p><b>3.7 Subletting:</b></p> <p>No portion of the property may at any time during the lease period, be sublet by the successful bidder save without the prior written consent of the Lessor. This paragraph is not applicable to the letting of holiday accommodation to paying clients.</p>		
<p><b>3.8 Nuisance:</b></p> <p>The successful bidder shall be responsible to ensure that in the opinion of the Lessor, good order is maintained on the property and that the visitors to the park and its employees, in no way cause a nuisance to the other users of the facilities at the Resort or the residents of the adjacent premises.</p>		
<p><b>3.9 Maintenance/Repair and Upgrading of the Resort:</b></p> <p>The successful bidder will be responsible for the maintenance/repair and upgrading of the following during the lease period:</p> <ul style="list-style-type: none"> <li>•All gardens, lawns, trees, shrubs and hedges in a neat tidy and cultivated condition.</li> </ul>		

<ul style="list-style-type: none"> <li>•All buildings, structures, fences, gates, gateposts and infrastructure.</li> <li>•All walkway paths, gutters, culverts, car parks and caravan sites in a neat and tidy condition.</li> <li>•All machinery, electrical and mechanical equipment, fittings, furniture and electrical installations.</li> </ul> <p>The Successful bidder must acquaint him/herself with the current and imminent future state of the buildings, structures, fences, gates, fittings and equipment. The bidder must take into consideration that he/she must repair/upgrade the buildings and structures which is currently not in a good state, when submitting their tender amounts.</p> <p>The successful bidder must keep record of all maintenance and upgrading done and must be made available to the Lessor on request.</p>		
<p><b>3.10 The responsibilities of the Lessor:</b></p> <ul style="list-style-type: none"> <li>•Co-operate with the Lessee to ensure the successful operation of the Caravan Park.</li> </ul>		
<p><b>3.11 Capital upgrades, Additional Recreational facilities and Structural Alterations:</b></p> <p>If the successful bidder during the lease agreement, wants to establish any additional recreational facilities or any structural alterations, prior written permission must be obtained from the Lessor, which shall not unreasonably be withheld. The cost pertaining to the structural alterations and additional recreational facilities, will be for the account of the successful bidder and the successful bidder will be responsible to maintain the improvements as per the lease agreement. On the termination of the lease agreement, the successful bidder will have an option to either remove the upgrades that was approved in writing by the Lessor and to restore the property to its original state. Should the successful bidder elect not to remove the upgrades, such property shall become the property of the Lessor without any compensation being paid to the successful bidder by the Lessor. Should at any stage during the lease term the Lessee require that the water, sewerage and/or electrical infrastructure must be upgraded the Lessee will be responsible for all such costs.</p>		
<p><b>3.12 Contributing to a more environment friendly Municipality:</b></p> <p>The successful bidder must participate in recycling activities available in Witsand.</p>		
<p><b>3.13 Access to the Resort by Municipal officials and/or persons authorised by the Municipality:</b></p> <p>The successful bidder shall at all reasonable times grant access to Municipal officials and/or persons authorised by the Municipality to the Resort for the following purposes:</p> <ul style="list-style-type: none"> <li>•To inspect if the successful bidder performs the duties as described in the lease</li> </ul>		

<p>agreement.</p>		
<p><b>3.14 Furniture:</b> Please note that the property is leased without any furniture.</p>		
<p><b>3.15 Offers:</b></p> <p>Proposals shall remain valid for acceptance for a period of 180 (one hundred and eighty) days after the closing date, for purposes of which all proposals shall be deemed to constitute irrevocable offers open for acceptance by the Municipality.</p> <p>Any objection(s) to the proposed lease of the property which may be received will be considered by the Municipality and the lease is subject to the Municipality not upholding such objection(s) and any appeal against or application for review of the Municipality's decision to lease the property.</p>		
<p><b>3.16 The property</b></p> <ul style="list-style-type: none"> <li>• The lease of the property is “voetstoots” and the Municipality will not be liable for any latent or other defects therein.</li> <li>• The bidder is to comply with the National Forests Act No 84 of 1998, should it be required. Should it be necessary to remove a protected tree, a permit is to be obtained from Department Water Affairs and Forestry (indigenous trees). For every tree that is removed 2 (two) trees of similar species are to be planted on the property or such trees as mutually agreed upon between the successful bidder and the Municipality.</li> <li>• No trees may be cut down without prior permission being obtained from the Hessequa Municipality.</li> <li>• Any approval required in terms of the National Environmental Management Act, 1998 (Act No 107 of 1998) (or any other environmental legislation) will be the responsibility of the successful bidder.</li> <li>• The bidder will adhere to and comply with all relevant legislation, by-laws and other legal requirements pertaining to the operating of the Holiday resort and concurrent functions.</li> <li>• The successful bidder may not cede and/or outsource the management of the resort prior to the consent of the Council of the Municipality being obtained in writing.</li> </ul>		

<p><b>3.17 Miscellaneous matters</b></p> <ul style="list-style-type: none"> <li>• The Municipality shall not be required to approve any building plans in respect of the property unless the successful bidder has complied with the legislative conditions.</li> <li>• The successful bidder will be responsible to obtain demolition permits for any structure that is situated on the property before it may be demolished.</li> <li>• The bidder will be responsible for the following costs:             <ul style="list-style-type: none"> <li>➢ Any, and all, costs directly related to the upgrading and/or repair and management of as well as the maintenance and operation of the property and/or business.</li> <li>➢ The continuous maintenance and upkeep of the building and premises to the satisfaction of the Municipality.</li> <li>➢ Security on the property.</li> </ul> </li> <li>• The successful bidder will be responsible for the appointment and remuneration of its own personnel. All affected municipal employees will be transferred and accommodated in the Municipality.</li> <li>• All building extensions, additions and alterations are subject to the approval of the Municipality and it must adhere to the municipal regulations as well as relevant legislation.</li> <li>• Notwithstanding any other provisions, the proposed development/upgrades must comply with all relevant legislation.</li> <li>• All bookings already made upon date of commencement of the lease agreement will be cancelled by the Lessor.</li> <li>• For the avoidance of doubt the bidder should note that the Municipality is not obliged to accept any proposal.</li> <li>• No rights and/or obligations shall vest before the signing of an agreement between the parties. The draft lease agreement is attached as <b>Annexure A</b> to this agreement.</li> <li>• The successful bidder acknowledge that the Municipal office will be operated from the adjacent property and undertake to refrain from doing anything which may hinder the successful operation thereof. Please note that the municipal office is excluded from the leased property.</li> </ul>		
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<p><b>3.18 Management experience:</b></p> <p>As part of the functionality requirements the following information must be provided by the bidder (Details here of should include, but is not limited to the following):</p> <ul style="list-style-type: none"> <li>• Experience in the development and management of similar facilities.</li> <li>• Established, respected and informed business team with relevant experience.</li> </ul> <p>Proof of the abovementioned experience must be submitted with the tender. See functionality criteria for more information.</p>		
<p><b>3.19 Site Meeting:</b></p> <p>A compulsory clarification meeting will take place on <b>Tuesday, 04 June 2024 at 10:00</b> at the <b>Witsand West Caravan Park</b>.</p>		

**Failure to provide the information or adhere to the conditions as stated above, may result in your tender being declared non-responsive.**

DECLARATION,

I, THE UNDERSIGNED (NAME) .....

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT. I ACCEPT THAT THE MUNICIPALITY MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

AUTHORISED SIGNATURE: .....

NAME: .....

CAPACITY: ..... DATE: .....

Initials of Service Provider's Authority: .....