



NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

Cnr. Carrington Str and 1st Avenue, Industrial Site, Mahikeng, 2745 | Tel: (018) 381 9400 | Fax (018) 381 4300
Private Bag X2167, Mahikeng, 2745 | www.nmmdm.gov.za

OFFICE OF THE MUNICIPAL MANAGER

Ref : NMMDM 20/21/01 PMU
Enq : Mr. M. Rassool
Date : 15th June 2022

THOLO TSA KWENA PROJECTS
UNIT 7 1357 BANOGENG UNIT
MMABATHO
2735

ATT: Mr. M.N Maponyane

Sir,

WATER SUPPLY AT MATLODING: NMMDM 20/21/01- PMU

The Ngaka Modiri Molema District Municipality has resolved that your offer in the form of the tender you submitted for: Water Supply at Matloding: *NMMDM 20/21/01 PMU* be accepted subject to the following conditions and points of clarity:

SubTotal Construction value(A)	: R 18 995 320.00
Add (5%) Contingencies on subtotal A	: R 949 766.00
Total Construction and Contingency value	: R 19 945 086.00
Add Value Added Tax @ 15	: R 2 991 762.90
Total Construction cost incl 15% VAT	: <u>R 22 936 848.90</u>

Completion Time : **08 months**

This contract is governed by the GCC (General Conditions of Contract for Construction Works) 3rd Edition (2015). The project number is: *NMMDM 20/21/01 PMU* and all correspondence must refer to this project number.

Should you not wish to continue with this contract, you are to submit your written non acceptance of this appointment within five working days of the date of this appointment hereof failing which this letter will form a formal offer and acceptance, i.e. a contract between ourselves.

Your attention is drawn to the following:

1. This letter is the order to commence the Works in terms of the General Conditions of Contract (GCC 2010) 1st Edition Clause 5.3.1 to 5 and authorizes you to occupy the Site in terms of the GCC Clause 5.4.
2. In terms of GCC Clause 10, the Works shall be commenced within the period stated in the GCC Appendix (14 days) from the date of receipt of this letter.

3. Prior to the site handover, the Contractor must submit the CV of an experienced Site Agent within 14 days after the appointment.
4. The following documents/ requirements are required before the first payment can be submitted for approval to the Engineer:
 - 4.1 In terms of GCC Clause 8.6.1, you are to provide Ngaka Modiri Molema District Municipality with guarantee of an Insurance Company or Bank to the value of **R2 293 684.89**
 - 4.2 Current registration certificate for the value added tax (VAT) – *certified copy of the original certificate.*
 - 4.3 In accordance with the Workmen's Compensation Act, please submit a current certificate of good standing from the Workmen's Compensation Commissioner.
 - 4.4 Valid Tax Clearance Certificate.
5. No payments will be made unless the following are attached with your monthly payment certificate.
 - 5.1 Contractor's monthly report (Labour reports).
 - 5.2 If material on site is claimed, copies of original invoices must be attached.
6. The appointment of sub-contractors in respect of certain work items shall be subject to GCC Clause 4.4(1) to (6) with following added conditions:
 - 6.1 The contractor shall ensure that the subcontractor is suitably experienced and capable enough to undertake the work as required.
 - 6.2 The contractor shall undertake ALL responsibilities and liabilities as far as the sub-contractors are concerned.
 - 6.3 The Contractor shall assist and support the sub-contractor as far as is reasonably possible to undertake and complete the work allocated to the sub-contractor. Such assistance shall include on-the-job-training, mentorship and advise a necessary.
 - 6.4 Maximum use of local labour is encouraged, especially on the labour only sub-contracts.
7. This contract is fully subjected to the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) and all the requirements, regulations and standards of the said Act together with all it's amendments shall be adhered to at all times. The Employer will make provision for an "Agent" to audit the Contractor with adherence and compliance to the said Act. For further details and information regarding this, please contact the (Project Manager) PMU Manager,

You are requested to arrange with **Rendeals Four Consultants** for the signing of the contract and for the arrangements of the site hand over.

The Ngaka Modiri Molema District Municipality hereby congratulates you on the award of this contract and wishes you success with the compliance and timeous completion thereof.

If further information is required, we will readily furnish you with necessary details.

Yours faithfully,

.....
Mr. O.A LOSABA
MUNICIPAL MANAGER

23/06/22
.....
DATE