## MATJHABENG

Municipality Umasipala P/ 0 Box 708 Welkom, 9460 South Africa



Mmasepala Munisipaliteit

## OFFICE OF THE CHIEF FINANCIAL OFFICER

05 NOVEMBER 2018

ATTENTION: MR. TIISETSO MOHOKARE

Messrs. TCM MOHOKARE TRADING 6 SIESBA AVENUE NAUDE VILLE WELKOM 9459

> Cell: 073 205 4734 Fax: 086 245 2722

Dear Sir/Madam

OFFER OF APPOINTMENT AS A CONTRACTOR – BID NO: 03/2018D ALLANRIDGE / NYAKALLONG REPLACEMENT OF OLD GALVANISED STEEL PIPES. CONTRACT D

## The above matter refers:

- The Municipal Manager, in terms of the delegated powers accepts your bid as submitted to the Municipality on the 01<sup>st</sup> June 2018 and hereby appoints your company to complete the construction work of the above-mentioned project at a contract amount of R 1 450 000.00 (Including Vat).
- 2. The Project Management Unit of the Municipality will be in contact with you to arrange for a site handover meeting.
  - 2.1 Given that the Contractor are being developed and do not have experience.
  - 2.2 The Bid Evaluation Committee had to set a risk threshold based on the price difference between the engineers estimate and tendered amount, with -10% and above being unrealistic and 10% and below to be low and acceptable.
  - 2.3 Bid Evaluation further recommends that Bid Adjudication considers appointing the Learner Contractor, TCM Mohokare Trading, on condition that they first submit all required returnable bid documents.

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- 3. As per the General Conditions of Contract for Construction Works 2015 3rd Edition, you are required to have the following in order fourteen (14) days before commencement of work:
  - Acceptance Letter
  - 3.2 Insurance of Works
  - 3.3 Security (Performance Guarantee/ Surety)
  - 3.4 Health and Safety Plan (Specifications will be provided to you)
  - 3.5 Programme of Works and Cash Flow Projections (A signed copy of the Tender Document will be provided to you)
- 4. You will further be required to sign a Service Level Agreement that will be provided to you, and the original signed document must be returned to us before commencement of the works.
- 5. Please do not hesitate to contact us should you require further details.
- 6. We trust that you will find all of the above in order.

Yours Faithfully

MUNICIPAL MANAGER