

MATJHABENG

Municipality
Umasipala

P/ O Box 708
Welkom, 9460
South Africa



Mmassepala
Munisipaliteit

OFFICE OF THE CHIEF FINANCIAL OFFICER

05 NOVEMBER 2018

ATTENTION: Ms. NTHABISENG MOKHOTHU

Messrs. **DZOTHE TRADING 16**
1515 K4
KUTLWANONG
ODENDAALSRUS
9450

Cell: 063 2780 684
Fax : 086 585 8864

Dear Sir/Madam

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

The above matter refers;

1. The Municipal Manager, in terms of the delegated powers accepts your bid as submitted to the Municipality on the 01st June 2018 and hereby appoints your company to complete the construction work of the above-mentioned project at a contract amount of **R 1 593 369.37**(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, **Dzotho Trading 16**, on condition that they first submit all required returnable bid documents.

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:
 - 3.1 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



MR THABISO TSOAELI
MUNICIPAL MANAGER