

# MATJHABENG

Municipality  
Umasipala

P/ O Box 708  
Welkom, 9460  
South Africa



Mmassepala  
Munisipaliteit

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## OFFICE OF THE CHIEF FINANCIAL OFFICER

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17 MAY 2017

ATTENTION: MR. LINDANI GOODENOUGH NGCOBO

Messrs. ZONKIZIZWE CONSULTING ENGINEERS  
03 KANTRICH  
285 Galway Avenue  
BRONBERRICK  
0157

Tel: 082 558 9362  
Fax: (086) 616 8712

Dear Sir/Madam

Dear Sir

### APPOINTMENT AS CONSULTING ENGINEERS FOR THE CONSTRUCTION OF 2.0KM ROADS, INTERNAL STREETS, SIDEWALKS AND STORMWATER IN MELODING

1. It is with great pleasure to inform you that you have been appointed as Consulting Engineers for the construction of 2.0km roads, internal streets, sidewalks and stormwater in Meloding.
2. Your appointment is subject to the following:
  - 2.1 Conclusion of a Service Level Agreement between yourself and the Municipality within fourteen (14) working days.
3. You are amongst others expected to deliver on the following Key Performance Areas where necessary:
  - 3.1 Feasibility study and business plan,
  - 3.2 Design and technical report,
  - 3.3 Preparation of procurement/ tender documents,
  - 3.4 Monitoring and supervision of the project with the provision of a full time Resident Engineer at construction stage,

- 3.5 Preparation of monthly and Ad-Hoc reports,
  - 3.6 Preparation of close out reports and As-Built drawings,
  - 3.7 Compilation of maintenance plan
- 4. Your total professional fees will be calculated as per the Government Gazette no. 39480: Guidelines for services and processes for estimating fees for persons registered in terms of the Engineering Profession Act (46/ 2000) and must be approved by the Municipal Manager,
  - 5. You will be required to accept this offer of appointment in writing within seven (7) working days from the date of receipt.
  - 6. Further on, you are requested to furnish us with the following documentation:
    - 6.1 Proof of your Indemnity Insurance,
    - 6.2 A structure of your key personnel for the project, and
    - 6.3 A detailed programme of Works.
  - 7. Please do not hesitate to contact us should you require further information.
  - 8. We trust that you will find the above in order.

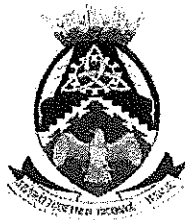
Yours faithfully



**MR THABISO TSOAELI**  
**ACTING MUNICIPAL MANAGER**

# MATJHABENG

**Municipality  
Umasipala**  
P/ O Box 708  
Welkom, 9460  
South Africa



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## OFFICE OF THE CHIEF FINANCIAL OFFICER

---

17 May 2017

**ATTENTION: MR.KGOSIETSI SEBETSO**

**Messrs. TENDIWANGA SIMPHONYA JV**  
20 WATERMEYER STREET  
NAUDEVILLE  
WELKOM  
9459

Tel: (057) 004 0031  
Fax: 086 555 6654

Dear Sir/Madam

**OFFER OF APPOINTMENT AS A CONTRACTOR – BID NO: 6/2017 CONSTRUCTION OF  
2.0KM ROADS,INTERNAL STREETS, SIDEWALKS AND STORMWATER IN MELODING .**

The above matter refers;

1. The Municipal Manager, in terms of the delegated powers accepts your bid as submitted to the Municipality on the 27<sup>th</sup> March 2017 and hereby appoints your company to complete the construction work of the above-mentioned project at a contract amount of **R 16 008 864.96** (Including Vat).
2. The Consulting Engineers of this project, also acting as our Agent will be in contact with you to arrange for a site handover meeting.
3. As per the General Conditions of Contract for Construction Works 2015 3<sup>rd</sup> 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  
ACTING MUNICIPAL MANAGER



20 Watermeyer Street  
Jan Cilliers Park  
Welkom  
9459

Tel: 057 004 0031

Mobile phone: 078 474 539

Fax: 086 555 6654

simphonyacivilsprojects@gmail.com

sebetso@outlook.com

22 May 2017

**Ref: MldnRoads/6/2017/01**

ATT: Mr T. Tsoali

**Acting Municipal Manager**

Matjhabeng Municipality

PO Box 708

**WELKOM**

9460

Dear Sir

**ACCEPTANCE OF OFFER**

**CONTRACT NO. MIG/FS1152/R,ST/16/17: CONSTRUCTION OF 2.0KM ROADS,  
INTERNAL STREETS, SIDEWALKS AND STORMWATER IN MELODING.**

With reference to the above and your letter of appointment received on 17 May 2017 refers:  
We thank you for the appointment and trust that this contract will be completed successfully and within given time frame.

The following documents to follow shortly:

- Insurance of the works.
- Health and Safety plan.

Documents attached:

- Request letter for 10% guarantee deduction.
- Programme of Works and Cash Flow Projections.

Be assured of our co-operation in this regard and do not hesitate to contact us in case of any queries.

Yours faithfully

Mr Kgosietsile Sebetso  
Managing Director



20 Watermeyer Street  
Jan Cilliers Park  
Welkom

9459

Tel: 057 004 0031

Mobile phone: 078 474 539

Fax: 086 555 6654

simphonyacivilsprojects@gmail.com

sebetso@outlook.com

22 May 2017

**Ref: MldnRoads/6/2017/02**

ATT: Mr T. Tsoali

**Acting Municipal Manager**

Matjhabeng Municipality

PO Box 708

**WELKOM**

9460

Dear Sir

**SURETY DEDUCTION REQUEST**

**CONTRACT NO. MIG/FS1152/R,ST/16/17: CONSTRUCTION OF 2.0KM ROADS,  
INTERNAL STREETS, SIDEWALKS AND STORMWATER IN MELODING.**

We hereby kindly request that 10% surety be deducted from monthly payment certificates for the above mentioned project commencing from the first payment certificate to be submitted in due course.

Should additional information be required regarding this request, please do not hesitate to contact us on the supplied email address.

We trust that our request will meet your approval and we assure you of our keen interest and attention at all times.

Yours faithfully

Mr Kgosietsile Sebetso  
Managing Director

ID	Task Name	Duration	Start	Finish		17 May	17 Jun	17 Jul	17 Aug	17 Sep	17 Oct	17 Nov	17 Dec	17 D
						T	F	S	S	M	T	W	T	F
1														
2	Summary Of Project	148 days	Wed 17-05-17	Fri 17-12-08		100%								1%
3	Initial and Planning Phase	7 days	Wed 17-05-17	Thu 17-05-25		50%								
4	Appointments	7 days	Wed 17-05-17	Thu 17-05-25		50%								
5	Issue of LOA	1 day	Wed 17-05-17	Wed 17-05-17		100%								
6	SLA Signing	1 day	Thu 17-05-25	Thu 17-05-25		0%								
7	Construction Phase	129 days	Tue 17-05-23	Fri 17-11-17		100%								1%
8	Appointment of CLO & Labour	2 days	Tue 17-05-23	Wed 17-05-24		100%								
9	Site Handover	1 day	Fri 17-05-26	Fri 17-05-26		0%								
10	Setai, Ratiadi, Mhlahlo, MEL 242, 179, 180, 120 days	45 days	Mon 17-05-29	Fri 17-11-10										0%
11	Earthworks	56 days	Mon 17-06-19	Mon 17-09-04										0%
12	Layerworks	75 days	Mon 17-07-03	Fri 17-10-13										0%
13	Stormwater pipe and V-drain	85 days	Mon 17-07-17	Fri 17-11-10										0%
14	Kerbing, Edge beam & Paving	5 days	Mon 17-11-13	Fri 17-11-17										0%
15	Road Furniture	5 days	Mon 17-11-13	Fri 17-11-17										0%
16	Road Signs	5 days	Mon 17-11-13	Fri 17-11-17										0%
17	Markings	5 days	Mon 17-11-13	Fri 17-11-17										0%
18	Final Cleaning	15 days	Mon 17-11-20	Fri 17-12-08										0%
19	Project Close out	9 days	Mon 17-11-20	Thu 17-11-30										0%
20	Practical Completion	1 day	Mon 17-12-04	Mon 17-12-04										0%
21	Final Completion	1 day	Fri 17-12-08	Fri 17-12-08										0%
22	Project Commissioning	1 day	Fri 17-12-08	Fri 17-12-08										0%

Date: 17/05/2017

Critical	Manual Task	Baseline Milestone	External Tasks
Critical Split	Start-only	Milestone	External Milestone
Critical Progress	Finish-only	Summary Progress	Inactive Task
Task	Duration-only	Summary	Inactive Milestone
Split	Baseline	Manual Summary	Inactive Summary
Task Progress	Baseline Split	Project Summary	Deadline

**Project Cash Flow Projection**

Reporting Month: May-17

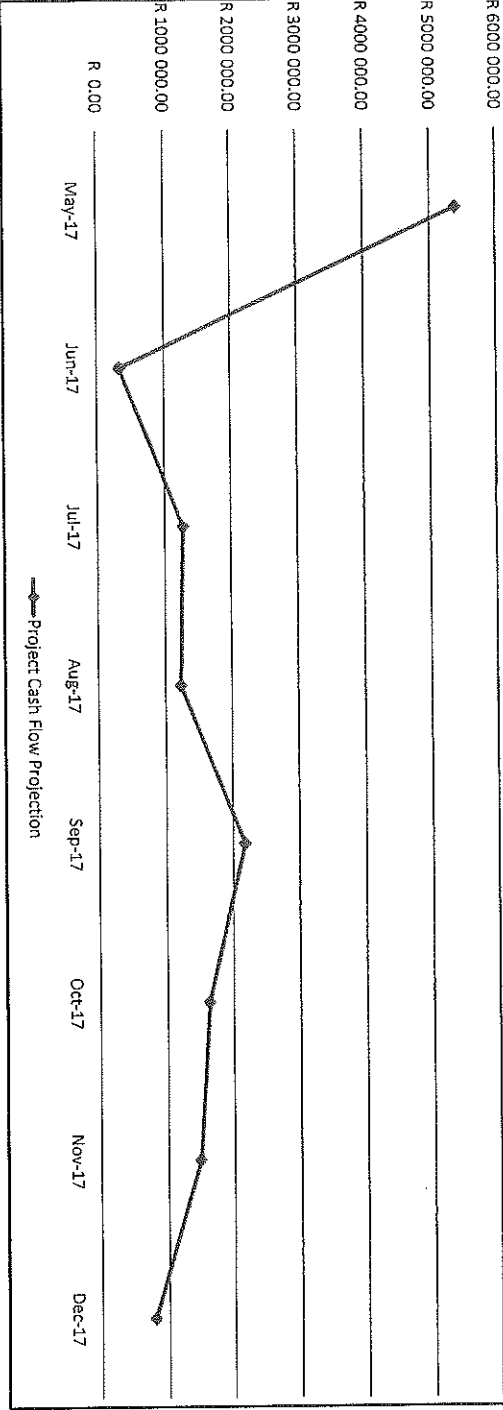
**1 DESCRIPTION OF PROJECT:**

CONSTRUCTION 2.0KM ROADS, INTERNAL STREETS, SIDEWALKS AND STORMWATER IN MELODING

**2 MIG NUMBER** MIG/FS1152/R.ST/16/17

Month	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Total
Project Cash Flow Projection	R 5 390 492.28	R 329 115.72	R 1 276 106.02	R 1 229 556.12	R 2 184 790.62	R 1 641 202.14	R 1 494 976.46	R 799 340.64	R 14 345 592.00

**Project Cash Flow Projection**





CASH FLOW PROJECTION IS BASED ON THE CONSTRUCTION SCHEDULE

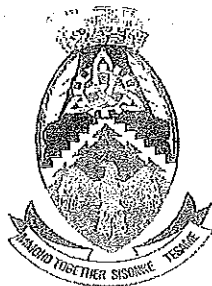
ITEMS (CONSTRUCTION SCHEDULE)	VALUE
Site Establishment	R 2,427,032.00
Site Preparation	R 4,545,544.00
Storm water	R 3,092,000.00
Sanitary and Potable	R 1,433,448.00
General use, incl. Road signs and markings	R 1,348,000.00
Total	R 13,445,924.00

	MONTH												Totals
	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17					
%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	
80%	R 2,008,584.4	1.0%	R 23,470.32	1.0%	R 23,470.32	2.0%	R 46,940.64	2.0%	R 46,940.64	2.0%	R 46,940.64	100.0%	
0%	R 0.00	10%	R 23,470.32	15.0%	R 35,205.49	30.0%	R 70,410.97	0.0%	R 0.00	0.0%	R 0.00	100.0%	
40%	R 1,470,000.00	0.0%	R 0.00	24.0%	R 56,316.80	21.0%	R 51,823.68	0.0%	R 0.00	0.0%	R 0.00	100.0%	
0%	R 1,322,034.00	0.0%	R 0.00	10.0%	R 132,203.40	11.0%	R 145,423.74	35.0%	R 462,983.29	27.0%	R 278,585.81	100.0%	
0%	R 0.00	0.0%	R 0.00	0.0%	R 0.00	0.0%	R 0.00	5.0%	R 66,202.00	30.0%	R 398,783.60	100.0%	
37.0%	R 5,985,462.28	2.0%	R 232,115.72	5.0%	R 132,203.40	15.3%	R 2,147,798.63	11.0%	R 1,641,202.14	10.0%	R 1,049,590.26	5.0%	R 799,240.04

# MATJHABENG

MUNICIPALITY  
UMASIPALA

☎ (057) 391 3171  
Fax: (086) 569 6121  
✉ 708, Welkom. 9460  
South Africa



MUNISIPALITEIT  
MMASEPALA

Enquiries: T. Makofane  
Room no: 207  
Your Ref:  
E-mail: Tumelo.Makofane@matjhabeng.co.za

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## OFFICE OF THE MUNICIPAL MANAGER

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MGP Construction  
63-67 Kellner Street,  
Westdene  
Bloemfontein

9300

Tel: (051) 447 6634  
Email: mgphetheni@mgpconsulting.co.za

23 October 2015

ATTENTION: Mr. G. Phetheni

Dear Sir,

APPOINTMENT LETTER AND SERVICE LEVEL AGREEMENT FOR CONSTRUCTION OF ROADS, INTERNAL STREETS, SIDE WALKS AND STORM WATER IN MELODING ON A TURNKEY BASIS.

### LETTER OF APPOINTMENT

1. This letter serves to inform you that the client, Matjhabeng Local Municipality (MLM), has resolved to appoint your company to source funding, develop the business plan and manage the implementation of the project upon the approval of the required funding as per the Business Plan for the above mentioned project.

2. This appointment is for the inception (feasibility study) concept and viability (preliminary engineering design) engineering stages and project registration with the Municipal Infrastructure Grant (MIG) or any other for the above mentioned project.

### 3. PROJECT DETAILS

- |                          |  |
|--------------------------|--|
| 1.1. MIG Number          | Not yet available  |
| 1.2. Project description | Construction of road, Internal Streets, sidewalks and Storm Water in Meloding. |
| 1.3. Estimated budget    | To be estimated after feasibility study  |
| 1.4. Funding Agent       | Matjhabeng Local Municipality  |

The above project description and MIG number (if applicable) must be quoted in all correspondence.

### 4. ACCEPTANCE OF THE APPOINTMENT

- 4.1. The Consultant is kindly requested to confirm in writing his acceptance of this appointment within seven (7) calendar days of receipt of this correspondence of which failure to do so, will be deemed as non-acceptance.
- 4.2. The Matjhabeng Local Municipality has placed the provision of documentation listed below as a condition of appointment and failure to submit this information with acceptance of this appointment may result in the cancellation of this appointment.
- Valid Tax Clearance (original copy).
  - Copy of proof of Professional Indemnity Insurance
  - Certified copies of Engineering Council of South Africa (ECSA) registration certificates as either Professional Engineer or Professional Engineering Technologist of the Principal (s) responsible for the project in your office.
  - Enterprise Declaration Affidavit (EDA) certified by a Commissioner of Oaths.
  - The Consultant's company profile showing overall capacity by including comprehensive curriculum vitae of all key personnel assigned to the various stages of the project, indicating relevant experience, capability and availability of resources to successfully complete a project of this specific nature.

### 5. LIAISON

- 5.1. All correspondence and documentation regarding this appointment must be directed to the Municipality, for attention

Municipal Manager : Adv. M.F. Lepheana  
Manager PMU : Mr. V. Tukani

## 6. PROJECT BRIEF

- 6.1. This appointment is for the construction of road, internal streets, side-walks and storm-water in Meloding. The project is located in the MLM jurisdiction area.
- 6.2. The Consultant must submit a scoping report on the assignment to the office of the Municipal Manager for approval, within 14 (fourteen) calendar days of the date of this correspondence. This report must be compiled in the format and contain the information required, as set out in the Scoping Report Outline as issued by the PMU office. Should the report be incomplete or not provide enough detail for the PMU office to make a thorough assessment thereof, then it will be returned for revision and re-submission at no additional costs to the MLM. The MLM accepts that the results of detailed material investigations, other laboratory tests, specialist surveys or other required studies may not be available in time to provide detailed design information and cost estimates in the scoping report. However, it is expected that available information, as well as an inspection of the conditions on site and discussions of the project with the MLM PMU and/or any other relevant department, will allow reasonably accurate indicative assessment to be made in order to provide the information required in the scoping report.
- 6.3. The scoping report must also clearly state any unresolved issues regarding the appointment, the project, the brief, or any other relevant matters.
- 6.4. The Consultant's attention is drawn to the fact that this letter is provisional only, and that the MLM reserves the right to cancel the appointment if it is convinced from the information requested, or from the quality of the scoping report, that the Consultant does not have the necessary capacity to successfully undertake the assignment.

## 7. AGREEMENT FOR CONSULTING ENGINEERING SERVICES

- 7.1. The Consultant is made aware of the fact that this appointment is undertaken on a provisional basis and until such stage that approval of funding for the project is obtained.
- 7.2. Upon the approval of the funding to be sourced, consider your appointment confirmed for managing the implementation of this project.
- 7.3. The Consultant agrees on acceptance of this appointment that the MLM is under no contractual obligation of any nature to reimburse the Consultant for any services rendered or any expenses incurred as a result thereof in the event of;
  - Funding not approved for the project and/or

- Funding not approved due to the Consultant failing to meet his obligations in terms of this appointment.

- 7.4. Subject to the Consultant's performance in terms of this appointment and the conditions stipulated in item 7.1, this appointment may be considered for the extension of the remainder of the engineering stages at the sole discretion of the MLM.
- 7.5. Failure by the Consultant to timeously register the project will result in the immediate lapsing of this appointment.
- 7.6. The Client/Consultant Professional Services Agreement (hereinafter referred to as the Professional Services Agreement), as issued by the Professional Consultant Services Agreement Committee (PROCSA), must be completed, signed by the Consultant and submitted to the PMU Office within 14 days of the date of this correspondence, by which time all issues regarding scope of work, fees and disbursements for this appointment must be resolved.

## 8. PROFESSIONAL FEE CLAIMS AND SCALES

- 8.1. The fees shall not exceed 10% of the total value of the project.
- 8.2. One professional fee account per month may be submitted, separately for each project.
- 8.3. No payment will be made if;
  - 8.3.1. The signed Agreement for Consulting Engineering Services, stipulated in Item 7.6 above, has not been submitted to and approved by the Municipality, and
  - 8.3.2. The required documentation as stipulated in Item 4.2 has not been received and approved by the Municipality.
- 8.4. The *Guideline Scope of Services and Traffic of Fees for Persons Registered in terms of the Engineering Professions (Act No.46 of 2000)* fee scales, as stipulated annually by the Engineering Council of South Africa (ECSA), will be applicable to this appointment.
- 8.5. The Department of Public Works' rates for Reimbursable expenses will be applicable for this appointment.

## 9. SCOPE OF SERVICES

- 9.1. The scope of service shall be in accordance with the *Guidelines Scope of Services and Tariff of Fees for Persons Registered in terms of the Engineering Professions (Act No. 46 of 2000)* as published by ECSA from time to time, with the variations and additions as set out in the Annexure B of the Agreement for Consulting Engineering Services attached hereto.

## 10. IMPLEMENTATION PROGRAMME

- 10.1. It is anticipated that this project will be implemented during the 2015/2016 financial year. The Consultant is therefore required to programme his activities in such a way that all investigations, surveys, specialist studies, EIA approvals, approval of scoping report, registration of project with a Funding Sector, approval of Technical Report by the Department of Cooperative Governance and Traditional Affairs are concluded by the end of June 2015.

## 11. PROJECT BUDGET

- 11.1. The total estimated budget for this project is to be informed by the preliminary design engineering report to be compiled by your company (direct and indirect costs, but excluding VAT).

## 12. DOCUMENTATION

- 12.1. All tender documentation to be used on the project shall conform to the following policies, conditions of contract, regulations, promulgated acts, specifications, guidelines, regulations and requirements as listed below;

12.1.1. MLM Supply Chain Management Policy, based on the Preferential Procurement Policy Framework Act, Act No 5 of 2005 as well as the BBBEE Act, 53 of 2003.

12.1.2. General Conditions of Contract for Construction Works, 2<sup>nd</sup> Edition, 2010.

12.1.3. Construction Regulations 2003.

12.1.4. Occupational Health and Safety Act 85 of 1993 (as amended by the Occupational Health and Safety Amendment Act No 181 of 1993).

12.1.5. Construction Industry Development Board (CIDB) standards.

12.1.6. Expanded Public Works Programme (EPWP) (where applicable).

12.1.7. MLM's standard Health and Safety Specification or as provided for by the MLM's appointed Health and Safety Agent.

#### 12.1.8. SANS 1200

12.1.9. The above list is not exhaustive as the onus rests upon the Consultant to advise the MLM on any other additional documentation that needs to be included in the procurement and contract documentation.

### 13. COMMUNICATION LIAISON

13.1. The Consultant must provide human resources for the purpose of community facilitation as may be required for successful implementation of the project. This service shall be deemed to be part of the Consultant's professional duties, for which no additional remuneration shall be provided. Assistance in making contract with affected communities may be requested from the MLM PMU Office.

### 14. OCCUPATIONAL HEALTH AND SAFETY

15. As required by the following acts and regulations for persons involved in the construction industry, Occupational Health and Safety Act No.85 and Amendment Act No.181 of 1993, and the Construction Regulations of 2003 (Government Gazette No.25207 of 18 July 2003, Notice No. R1010), the Consultant shall comply with all the regulations enforced upon him in terms of the act in the execution of the Services.

### 16. ENVIRONMENTAL IMPACT ASSESSMENT (where applicable).

16.1. The Consultant shall confirm with the MLM PMU Office as to the necessity for an EIA for this project. In the event that an EIA is necessary then the Consulting Engineer is to obtain 3 quotations for the suitable sub-consultants to perform these tasks to the satisfaction of the relevant authority, on a disbursement basis. The EIA sub-consultant proposed by you to undertake the work must be approved by the MLM PMU Office. The EIA process, if required, must be facilitated as soon as possible, in order to avoid potential delays to the Contract. The Consultant will reflect this critical activity on his Implementation programme for the project to indicate any time constraints this activity may have on the overall project programme.

### 17. EPWP REQUIREMENTS ((EPWP type projects only)

17.1. The Consultant undertakes, as part of his professional duties, to implement the principles and objectives of the *Expanded Public Works Programme (EPWP)* in all aspects of the design and construction stages.

17.2. Phrase the design and specifications for the civil construction work in such a manner that maximum advantage can be taken of labour intensive construction methods and local emerging contractors.

17.3. The Consultant will in addition to Item 14.1, be required to maintain the EPWP project progress reports throughout the project life cycle.

18. MUNICIPAL INFRASTRUCTURE GRANT (MIG) AND/OR REGIONAL BULK INFRASTRUCTURE GRANT (RBIG)

18.1. The Consultant shall be required, in the case of projects funded by the Department of Cooperative Governance and Traditional Affairs (COGTA)'s Municipal Infrastructure Grant (MIG), to submit and maintain the standard information/data capturing forms as required for the MIG's Management Information System, throughout the project life cycle at the specified intervals as part of his Normal Services. The Consultant shall be deemed familiar with the format of the standard forms and obligations to reflect accurate and up to date information.

19. SPECIAL REQUIREMENTS

19.1. The Consultant is encouraged to take part in community development or any other social responsibility ventures, as a partner in the government socio-economic development of the local community.



ADV. M.F. LEPHEANA  
MUNICIPAL MANAGER

DATE: 23 / 10 / 2015

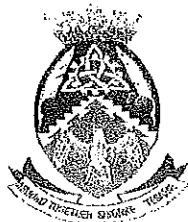


# MATJHABENG

Municipality

Umasipala

P.O. Box 708  
Welkom, 9460



Mmasepala

Munisipaliteit

Tel: (057) 391 3155  
Fax: (057) 357 4393  
e-mail: mm@matjhabeng.co.za

## OFFICE OF THE MUNICIPAL MANAGER

Enquiries/Navrao/ dipatlisiso:

Ms. Seekoel

Room no/ kamer nr/ kamore ya:

201

Date/ Datum/ Letsatsi:

04 November 2016

Your Ref/ U Verw/ Ho ya ka bona

Our Ref/ Ons Verw/ Ho ya ka rona

Yvnt:MMGP/ML/15015

**MGP CONSTRUCTION AND ENGINEERING CONSULTANCY**

Private Bag X01

BRANDHOF

9324

ATTENTION: Mr. M G Phetheni

per fax: 051 447 5518

Dear Sir,

**RE: CANCELLATION OF APPOINTMENT: MELODING CONSTRUCTION OF ROADS AND STORMWATER**

Reference is to the appointment letter dated 23 October 2015.

1. It has come to the immediate attention of the Office of the Municipal Manager that processes as mandated by the Matjhabeng Local Municipality's Procurement Policy were not pursued in the appointment of MGP CONSTRUCTION AND ENGINEERING CONSULTANCY and that no legal ground exist to justify deviation thereto.
2. In the premises, kindly be advised that Matjhabeng Local Municipality hereby cancel the appointment of MGP CONSTRUCTION AND ENGINEERING CONSULTANCY and all activities consequent thereto effective 04 November 2016.

I hope that you will find the above in order.

Yours faithfully

ADV. LEPHEANA

MUNICIPAL MANAGER