



SERVICE LEVEL AGREEMENT

Entered into by and between

AQUA TRANSPORT & PLANT HIRE (PTY) LTD

AND

LESEDI LOCAL MUNICIPALITY

**For the Rental of Vehicles for a period of three years (36 Months) as
and when required**

[Handwritten initials and signatures]

SERVICE LEVEL AGREEMENT

Entered into by and between

AQUA TRANSPORT & PLANT HIRE (PTY) LTD

(Hereinafter referred to as "CONTRACTOR ")

AND

LESEDI LOCAL MUNICIPALITY

Established in terms of the Local Government Municipal Structure Act Number 117 of
1998

Herein represented by Advocate Gugulethu Thimane, Acting Municipal Manager

(Hereinafter referred to as "EMPLOYER")

WHEREAS, AQUA TRANSPORT AND PLANT (PTY) LTD as appointed Contractor for the Supply and delivery of Vehicle Spares for a period of twelve months on behalf of **LESEDI LOCAL MUNICIPALITY**.

1. GENERAL DEFINITIONS

In the Contract (as hereinafter defined) the following Words and Definitions expression shall have the meanings hereby assigned to them except where the Contract otherwise requires.

- 1.1.1 "Contract" Means the documentation of the agreement between the parties in terms of the form of Offer and Acceptance and such written amendments or additions to the Contract may be agreed to between the parties.
- 1.1.2 "Contract Data" Means specific data which, together with these General Conditions of Contract, collectively describes the risks, liabilities and obligations of the Contracting Parties and the procedures for the administration of the contract.
- 1.1.3 "Contractor" Means the person named in the contract data whose offer has been accepted in the form of Offer and Acceptance and legal successors in title of this person.
- 1.1.4 "Contract Price" Means the Contract sum subject to such additions thereto or deductions therefrom as may be made from time to time under provision of the Contract.
- 1.1.5 "Contract Sum" Means the Accepted amount(s) provided for in the agreement made in terms of the Form of Offer and Acceptance.
- 1.1.6 "Employer/Lesedi Local Municipality" Means the person from whom the works are

to be executed and who is named as the Employer in the Contract Data, and legal successors in title of this person

- 1.1.7 "Lesedi Representative" Means the Natural person appointed from time to time by the Municipal Manager in terms of the Contract.
- 1.1.8 "Bill of Quantities" Means the document so designated in pricing data
- 1.1.9 "Commencement Date" Means the date that the Agreement, made in terms of Form of Offer and Acceptance come into effect.
- 1.1.10 "Certificate of Completion" Means the Certificate issued by the Lesedi Representative stating the date on which completion of a task was achieved
- 1.1.11 "Scope of Work" Means the document that specifies and describes the works which are to be provided, and any other requirements and constraints relating to the manner in which the work is to be carried out.
- 1.1.12 "Site" Means the land and other places made available by the Employer, for the purpose of the Contract, on, under, over, in or through which the works are to be executed.
- 1.1.13 "Fleet Representative" Means a natural person appointed on behalf of the Employer/Lesedi Local Municipality

2. CONTRACT SUM

- 2.1.1 The total contract value inclusive of VAT and Contingencies.

3. GOVERNIG LANGUAGE

- 3.1.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 3.1.2 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in the agreement

4. DURATION OF THE AGREEMENT

- 4.1.1 This Agreement shall be effective from the commencement date to the date of the end of the defects and liability period. The contract work is for a period of thirty (36) months excluding defects and liability period.

5. IDEMNIFICATION

- 5.1.1 The Contractor Indemnifies the Employer against any liability in respect of the damage to, or physical loss of the property of any person, or injury to or death of any person.

5.1.2 The Contractor shall be liable to the Employer for damages to or physical loss of all property of the Employer that is part of the works, nor of the site

6. HEALTH AND SAFETY STANDARDS AND ACCIDENTS

6.1.1 The Contractor shall adhere to all the requirements of the Occupational Health and Safety Standards at all times in line with applicable laws

6.1.2 In addition to any statutory obligations, the Contract shall, as soon as practicable, report to the Municipal Manager occurrences on the works or the site which causes damage to property, or injury or death to a person.

7. PRICING INFORMATION:

ITEM DESCRIPTION NET UNIT BID PRICE

7.1.1. As per tender document number 41/2018 under-pricing schedule..

7.1.2 Rented vehicle will be delivered within 24hrs of request from the municipal representative.

7.1.3 The twenty-four hours will begin immediately from the time of receiving the telecommunication to request delivery of a rented vehicle.

8. SPECIFICATIONS

8.1. Scope of Services:

8.1.1 This contract applies to all requests made by authorized LLM management as per Tender 41/2018 under-pricing schedule.

8.2. Service Requirements:

8.2.1. **Hours of Service:** At the request of the representative of the municipality, it is expected that the rental vehicle be delivered within 24hrs from the formal request.

8.3 Delivery Address:

8.3.1 Rented vehicle shall only be delivered at the Municipal Facilities situated at No 1 Prinsloo street, Rensburg, Heidelberg Gauteng, and must be registered at the security control point.

8.4. Personnel: Driver:

8.4.1 Contractor shall have in its employ, or under its control, sufficient licensed, qualified and competent personnel to perform delivery services at the levels specified.



8.5 Performance:

8.5.1 Contractor shall employ only such workers as are skilled in the tasks to which they are assigned. The LLM reserves the right to require the Contractor to reassign any employee the Municipality deems incompetent, careless, insubordinate, or otherwise objectionable to work with under the contract. Contractor's employees must follow the LLM Policies, Procedures, Legislations and guidelines while performing work under the contract.

8.6 Business Operating Permits and Licenses:

8.6.1 Contractor must adhere to and follow all laws, rules and regulations of the Governments of the Republic of South Africa as shall in regard to the operation of their delivery business, operation of motor vehicles and employment of personnel.

8.6.2 Contractor must also adhere to all LLM regulations, including but not limited to those concerning the operation of motor vehicles, Fleet Policy and the Mechanical Workshop SOP, as set forth in LLM Municipal Code.

8.6.3 Contractor is required to have and hold licences as required by the Republic of South Africa of National Road Traffic Act, Act No 93 of 1996 and, if required.

8.7 Service Rates: See Pricing information set forth in the Tender Document 41/2018.

8.8 Workers' Compensation and Liability Insurance Coverage:

8.8.1 Workers' Compensation Coverage: The Contractor shall be responsible, at their own expense, to purchase any required workers' compensation insurance for the Contractor or any employee of the Contractor. The LLM is not the workers' compensation insurer of Contractor's employees. The Contractor must have current workers' compensation insurance in place for its employees injured or killed while performing work pursuant to this contract. The LLM shall not have any liability with respect to Contractor's or Contractors' employees' actions or conduct while performing these services and Contractor shall indemnify and hold the LLM and its employees harmless for any such damage.

8.9 Liability Insurance Coverage: The Contractor shall maintain during the time period of the Contract, commercial general liability insurance for bodily injury and property damage in the minimum amount of R1,000,000.00 per occurrence and R2,000,000.00

aggregate that includes liability for accidents or damage to vehicles, persons or property that may occur during the performance of these services.

9. PENALTIES

9.1.1 Should the Contractor fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the Employer shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The Employer may also consider termination of the contract pursuant clause 9 and 13 of the contract.

10. DISPUTE RESOLUTION AND ARBITRATION

- 10.1.1 If any dispute or difference of any kind whatsoever arises between the customer and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 10.1.2 Should any difference or dispute at any time arise between the parties, the duly authorised Senior Officials of each party shall meet within fourteen (14) days, or such period as the parties may agree, from the date on which the dispute arose to resolve the dispute amicably.
- 10.1.3 If the dispute is not resolved at such a meeting, or extended meeting as the Parties may agree to in writing, then either of the parties shall be entitled to refer the dispute to the Arbitration Foundation of Southern Africa (AFSA) to be determined by arbitration in terms of Arbitration Act 42 of 1965 as amended, such arbitration shall be held in Johannesburg.
- 10.1.4 The appointment of the arbitrator shall be agreed upon between the Parties in writing but, failing agreement between them, within a period of 10 (ten) Business Days after the arbitration has been demanded in terms of clause 10.1.2, above either Party shall be entitled to request the Arbitration Foundation of South Africa to make the appointment and, in making such appointment, to have regard to the nature of the dispute.
- 10.1.5 The arbitrator shall have the powers conferred upon an arbitrator under the Arbitration Act, 1965 (as amended), but shall not be obliged to follow the procedures prescribed in that Act. The decision of the arbitrator shall be final and binding on the Parties and may be made an order of any court of competent jurisdiction.

11. AMENDMENTS AND VARIATIONS

11.1.1 All amendments and variations of this contract shall be reduced in writing and signed by both Parties.

12. PAYMENT CONDITIONS

12.1.1 Payment will be made within 30 (thirty) days after the claim certificate/invoice has been issued to the Employer/Lesedi Local Municipality on condition that all other necessary conditions and documents are adhered to and complied with.

13. TERMINATION OF CONTRACT BY THE EMPLOYER

13.1.1 The Employer Shall Terminate the Contract if:

13.1.1 Application is made for the sequestration of the Servicer's estate or presents a petition for the acceptance of the surrender of his estate as insolvent, or being a Company or Close Corporation, goes into liquidation, whether provisionally or finally. Other than a voluntary liquidation for the purposes of amalgamation or reconstruction.

13.1.2 The Contractor makes a compromise with his/her creditors, or assigns in favour of his/her creditors, or agrees to carry out the Contract under the Supervision of a committee representing his/her creditors, or if the Employer's written consent, or if execution is levied on his/her goods.

13.1.3 Has abandoned the Contract

13.1.4 Is not executing the services in accordance with the contract, with imperfect and malperformance and in flouting the standard expected as per the specification of the contract and is neglecting to carry out his/her obligation under the Contract.

13.1.5 Anyone, on his/her behalf has paid, offered or offer as payment to any person in the employ of the Employer, or any person in the employ a gratuity or reward or commission.

13.1.6 Has furnished inaccurate information in the returnable documents completed at tender stage and forming part of the agreement.

14. COMMUNICATION

14.1 The Parties agree that:

14.1.1 It is necessary to keep the channels of communication open between the Parties at all times and on all aspects of the Agreement.

14.1.2 The contact persons for communication between the Parties shall be the following persons:

- **AQUA TRANSPORT AND PLANT HIRE (PTY) LTD**
Stephanie Govender - 082 450 4770/ 031 716 2311/ Fax: 031 716 2301
- **LESEDI LOCAL MUNICIPALITY**
The Municipal Manager or his/her nominee.

15. ADDRESSES NOMINATED BY THE PARTIES

15.1.1 Addresses nominated by the parties in a legal contract at which it elects to receive all legal notices and documents for all purposes arising from this Agreement and will serve as domicile and the addresses are the following:

15.1.2 AQUA TRANSPORT AND PLANT HIRE (PTY) LTD

42 Heidelberg Avenue
Newmarket
Alberton, Gauteng, SA

15.1.3 LESEDI LOCAL MUNICIPALITY

1 HF Verwoerd Street
Heidelberg
1441

16. SIGNATURES SERVICE LEVEL AGREEMENT ENTERED INTO BY AQUA TRANSPORT AND PLANT HIRE (PTY) LTD AND LESEDI LOCAL MUNICIPALITY RENTAL OF VEHICLES, FOR A PERIOD OF THIRTY (36) SIX MONTHS.

THUS, SIGNED AT AINETOWN ON THIS 3rd DAY OF DECEMBER 2018

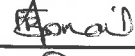

AQUA TRANSPORT PLANT HIRE (PTY) LTD


Duly Authorised

Name: STEPHANIE GOVENDER

Designation: MARKETING EXECUTIVE

AS WITNESSES:

1. 
2. 

THUS, SIGNED AT _____ ON THIS ____ DAY OF _____ 2018

LESEDI LOCAL MUNICIPALITY


Duly Authorised

Name: Advocate Gugulethu Thimane

Designation: Acting Municipal Manager

AS WITNESSES:

1. _____
2. _____





Sharecall: 088 000 AQUA (2782)
Phone: +27 31 716 2300
Fax: +27 31 716 2301
Website: www.aquatransport.co.za
Email: enquiries@aquatransport.co.za

"Excellence in Motion!"

27TH NOVEMBER 2018

LESEDI LOCAL MUNICIPALITY
P O BOX 201
HEIDELBERG
GAUTENG

Attention : **Mr. Paul Malgas**
Telephone : (016) 492 0028

Dear Sir/Madam,

REF: 41/2018

RENTING OF VEHICLES FOR A THREE(3) TEAR PERIOD ON AN AS AND WHEN REQUIRED BASIS.

We acknowledge receipt of your Letter dated 22nd November 2018, received via email on the 27th of November 2018.

Thank you for accepting our quote and we hereby confirm acceptance of the above contract.

We have noted the requirements as per the conditions of contract.

Should you require any further information, please do not hesitate to contact the undersigned.

Yours faithfully,

A handwritten signature in black ink, appearing to be "Stephanie Govender".

Stephanie Govender

For Aqua Transport & Plant Hire (Pty) Ltd.

Phone : 031 716 2311

Fax: : 031 716 2301

Mobile : 082 450 4770

e-mail : tenders@aquatransport.co.za

PHYSICAL ADDRESS - HEAD OFFICE
Aqua Transport and Plant Hire (Pty) Ltd.
13 Le Mans Place
Westmead, Pinetown
Kwa Zulu Natal, South Africa

PHYSICAL ADDRESS - JHB
42 Heidelberg Avenue
Newmarket, Alberton
Gauteng, South Africa
Tel Number: 011 864 2348

POSTAL ADDRESS
Private Bag X11
Ashwood, 3605
Kwa-Zulu Natal, South Africa.
VAT#: 4660217185 REG#: 2003/007768/07

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