



PROFESSIONAL SERVICES AGREEMENT

PROJECT: UPGRADE OF KWAXULU ROAD (WARD 18)

CLIENT: UMDONI MUNICIPALITY

CONSULTANT: Hi-Tech Consulting Engineers (Pty) Ltd

SERVICE: PROFESSIONAL SERVICES FOR INCEPTION,
CONCEPT, DESIGN, DOCUMENTATION AND
PROCUREMENT, CONTRACT ADMINISTRATION
AND CLOSE-OUT

AGREEMENT DATE: 15 April 2026

THIS AGREEMENT IS RECOMMENDED BY THE FOLLOWING CONSTITUENTS:

Africa Association of Quantity Surveyors
Association of Construction Project Managers
Association of South African Quantity Surveyors
South African Association of Consulting Engineers
South African Black Technical and Allied Careers Organisation
South African Institute of Architects
South African Property Owners Association

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EXPLANATORY NOTES

Introduction

This Umdoni Municipality Professional Services Agreement was compiled in the interests of standardization and good practice in the construction industry on a mandate from the constituents. Any queries regarding this document should be directed to:

Mr Welile Mbundwini
Hi-Tech Consulting Engineers (Pty) Ltd
Tel: 087 056 1892
Email: welilem@htconsulting.co.za

The terms of this document have been kept as generic as possible. Any project specific issues are to be dealt with in the appropriate annexure

Structure of document

The Umdoni Municipality Professional Services Agreement comprises:

- Agreement
- Annexure A: Schedule
- Annexure B: Scope of services: to be agreed between the parties
- Further annexures: As required and identified in the schedule which may, *inter alia*, include the relevant tariff of professional fees and schedule of disbursement rates

Disclaimer

Any party using this document acknowledges and agrees that the constituents shall not be held liable for using this document or for any errors or omissions in the document and such party hereby waives any or all claims it may have in this regard

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Annexure A: Schedule

A1

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B1

Further annexures: As required and identified in the schedule which may, *inter alia*, include the relevant tariff of professional fees and schedule of disbursement rates

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AGREEMENT

1.0 DEFINITIONS AND INTERPRETATION

1.1 Where words and phrases are highlighted in the text of this document they shall bear the meaning assigned to them in this 1.1 and where such words and phrases are not highlighted they shall bear the meaning consistent with the context:

- 1.1.1 **"AGREEMENT"** means this Client/Consultant Professional Services Agreement and other documents listed in the **schedule** which together form this agreement between the **client** and the **consultant**
- 1.1.2 **"DAYS"** means twenty-four (24) hour days commencing at midnight (00.00) which include working and non-working days
- 1.1.3 **"CLIENT"** means the contracting **party** so named in the **schedule**
- 1.1.4 **"CLIENT'S REPRESENTATIVE"** means a representative designated by the **client** and so named in the **schedule** to act with complete authority on the **client's** behalf and who shall be available at all reasonable times
- 1.1.5 **"CONTRACT"** means an agreement entered into between the **client** and a **contractor** for the execution of the **project** or part thereof
- 1.1.6 **"CONTRACTOR"** means the entity or entities entering into **contract(s)** with the **client** for the execution of the **project** or part thereof
- 1.1.7 **"CONSULTANT"** means the contracting **party** so named in the **schedule**
- 1.1.8 **"OTHER CONSULTANT"** means any entity or third party acting on behalf of the **client** to provide professional or specialist services on any aspect of the **project**
- 1.1.9 **"PARTY"** means the entity or entities entering into **this agreement**
- 1.1.10 **"PRINCIPAL AGENT"** means the entity so named in the **schedule** appointed by the **client** to manage and administer the **contract**
- 1.1.11 **"PRINCIPAL CONSULTANT"** means the entity so named in the **schedule** appointed by the **client** to manage and administer the services of the **consultant** and all **other consultants**
- 1.1.12 **"PROJECT"** means the project so named and described in the **schedule**
- 1.1.13 **"SCHEDULE"** means the variables, amendments and/or special conditions as set out in Annexure A
- 1.1.14 **"SERVICES"** means the duties and responsibilities of the **consultant** as set out in Annexure B

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- 1.1.15 "TAX" means value added tax, sales tax or any other similar statutory tax or statutory levy applicable to this **agreement**
- 1.1.16 "WORKS" means all work executed or intended to be executed according to a **contract**
- 1.2 The **client** and **consultant** choose *domicilium citandi et executand* at the physical addresses as stated in the **schedule**. Either **party** may by notice to the other change its *domicilium citandi et executandi* provided that such new physical address shall be in the same country as stated in the **schedule**
- 1.3 Any legislation referred to in this **agreement** shall be that which was applicable on the date of first signature of this **agreement**
- 1.4 In this **agreement**, unless inconsistent with the context:
- 1.4.1 The word "deemed" shall be conclusive that something is fact, regardless of the objective truth
- 1.4.2 The words "advise", "appoint", "approve", "authorise", "certify", "consent", "decide" "delegate" "designate", "instruct", "issue," "notify", "object", "reply", "request" and "specify" shall indicate an act required to be carried out in writing
- 1.4.3 The masculine gender includes the feminine and neuter genders and *vice versa*, the singular includes the plural and *vice versa* and persons shall include corporate bodies
- 1.4.4 The headings of clauses are for reference purposes only and shall not be taken into account in construing the context thereof
- 1.5 The law applicable to this **agreement** is the law as stated in the **schedule**
- 1.6 All monetary amounts exclude **tax**, which **tax** shall be added to any amounts which become due and payable
- 1.7 Notice in terms of this **agreement** may be given as set out hereunder and shall be deemed to have been duly received when:
- 1.7.1 Delivered by hand – on the date of delivery
- 1.7.2 Sent by prepaid registered post – seven (7) **days** after posting
- 1.7.3 Sent by telefax – three (3) **days** after transmission
- 1.7.4 Sent by e-mail – three (3) **days** after transmission
- 1.8 This **agreement** constitutes the entire agreement between the **parties** and no representations, terms, conditions or warranties not contained in this **agreement** shall be binding on the **parties**. No agreement or addendum varying, adding to, cancelling, or deleting from this **agreement** shall be effective unless reduced to writing and signed by both **parties**

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1.9 The original signed **agreement** shall be held by the entity so named in the **schedule** who shall provide copies certified by a commissioner of oaths to either **party** on request

2.0 **PROJECT**

2.1 The **client** is desirous of undertaking the **project** so named in the **schedule**

2.2 The **project** is situated on a site as described in the **schedule**

3.0 **APPOINTMENT**

3.1 The **client** appoints the **consultant** who accepts the appointment to carry out the **services** as stated in this **agreement**

4.0 **DURATION OF AGREEMENT**

4.1 The **agreement** shall be effective from the date as stated in the **schedule** notwithstanding the date of signature. If no date is stated in the **schedule**, the **agreement** shall be effective from the date on which the **consultant** commences the **services**

4.2 Subject to 7.3, this **agreement** shall be deemed to have been discharged by performance when the **consultant** has completed the **services** and has received full payment of fees and disbursements due

5.0 **CLIENT'S OBLIGATIONS**

5.1 The **client** shall designate a **client's representative** so named in the **schedule**. The **client** may change the **client's representative** by notice to the **consultant**

5.2 The **client** including any **other consultants** or party acting on the **client's** behalf, shall accurately and timeously specify their requirements and provide information, decisions and instructions to the **consultant**

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- 5.3 The **client** shall, if requested to do so by the **consultant**, provide within fourteen (14) **days**:
- 5.3.1 Written proof that funding is available for the ongoing requirements of the **project**
- 5.3.2 A guarantee acceptable to the **consultant** for the payment of the **consultant's** fees and disbursements
- 5.4 The **client** shall notify the **consultant** of the appointment of the **principal consultant**, **principal agent** and **other consultants** for the **project**
- 5.5 The **client** shall instruct the **other consultants** to co-operate in absolute good faith and comply with and adhere to all reasonable requests by the **consultant** and the **principal consultant**
- 5.6 The **client** shall make available free of charge to the **consultant** the equipment and facilities as stated in the **schedule**
- 5.7 The **client** shall pay all costs and charges levied by any local or other authorities having jurisdiction regarding the execution of the **project**
- 6.0 **CONSULTANT'S OBLIGATIONS**
- 6.1 The **consultant** shall execute the **services** as set out in Annexure B
- 6.2 The **consultant** shall exercise reasonable professional skill, care and diligence in the performance of his obligations in terms of this **agreement**
- 6.3 Where the **services** assigned to the **consultant** include the obligation to certify or to exercise discretion or quasi-arbitrational functions in carrying out the **services**, the **consultant** shall be obliged to exercise such obligations, discretions and functions in an independent professional manner acting with reasonable skill, care and diligence with regard to all interests involved
- 6.4 The **consultant** shall not make any material alteration, or addition to, or omission from the approved design, budget or programme without the consent of the **client** and **principal consultant** except when required to do so by any applicable law or when arising from an emergency. The **consultant** shall notify the **client** and **principal consultant** as soon as practicable of the action taken
- 6.5 The **consultant** shall co-operate in absolute good faith, comply with and accurately and timeously adhere to all reasonable requests by the **client**, **other consultants** and the **principal consultant**
- 6.6 The Consultant shall, as part of its obligations under this Agreement, **actively support and contribute to the professional development of the Client's Project Management Unit (PMU) staff.**

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This shall include, but not be limited to, mentoring, technical guidance, and structured knowledge transfer initiatives aimed at assisting PMU staff on their “**Road to Professional Registration**” with the Engineering Council of South Africa (ECSA).

- 6.7 The Consultant's performance shall be subject to **ongoing monitoring and formal monthly evaluations** by the Client or the Client's Representative.

Such evaluations shall assess, inter alia, **service delivery, adherence to programme, quality of work, responsiveness, and effectiveness in supporting PMU staff development**.

The Consultant shall be required to address any **identified shortcomings within a reasonable timeframe** as directed by the Client.

7.0 **LIMIT OF CONSULTANT'S LIABILITY**

- 7.1 Notwithstanding 6.0, the **consultant** shall specifically not be liable for the following:

- 7.1.1 Acts or omissions of **other consultants**
- 7.1.2 Construction methods, techniques, sequences and procedures employed by the **contractor must be approved and managed by the Consultant**
- 7.1.3 Any material, component, system or workmanship failing to perform according to the claims of the manufacturers, suppliers, contractors or subcontractors
- 7.1.4 Any reasonable deviations from any estimates of costs and/or budgets
- 7.1.5 Failure by the **contractor** or the **client** to perform in terms of the **contract**
- 7.1.6 Delays due to causes outside of the **consultant's** control
- 7.1.7 Acts or omissions of third parties

- 7.2 The maximum amount of compensation payable by the **consultant** to the **client** in respect of liability is limited to an amount selected in the **schedule**. If no selection is made in the **schedule**, then the maximum compensation shall be twice the fees payable by the **client** to the **consultant** in terms of 9.1

The **client** waives all claims against the **consultant** exceeding the aforesaid maximum amount of compensation payable

- 7.3 All claims against the **consultant** shall lapse after a liability period of five (5) years, which period shall commence on the earlier of:

- 7.3.1 Practical or other equivalent completion of the **works**
- 7.3.2 Completion by the **consultant** of his **services**
- 7.3.3 Suspension, postponement, expiry, cancellation or termination of all the **contracts**
- 7.3.4 Cancellation or termination of this **agreement**

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7.4 The **client** hereby indemnifies the **consultant** against all claims by third parties which arise out of or in connection with **services** rendered under this **agreement**:

7.4.1 Which exceed the maximum amount of compensation in terms of 7.2, and

7.4.2 For the full amount of any such claims after the period stated in 7.3

8.0 PROFESSIONAL INDEMNITY INSURANCE

8.1 The **party** responsible shall provide professional indemnity insurance as stated in the **schedule**

8.2 The **party** responsible shall maintain the insurance policy for the duration of the liability period in terms of 7.3 and shall on request by the other **party**, provide a certificate of proof of such insurance

9.0 PROFESSIONAL FEES

9.1 The **client** agrees to pay the **consultant** such professional fees as stated and apportioned in the **schedule** for the **services** to be rendered

10.0 THIRD PARTY SERVICES

10.1 The **client** shall appoint and remunerate any third party rendering services to the **project**

10.2 The **client** shall reimburse the **consultant** for all expenses in respect of fees and costs incurred on behalf of and with the approval of the **client**

11.0 DISBURSEMENTS

11.1 Unless otherwise stated in the **schedule** the **client** shall, in addition to the professional fees payable, reimburse the **consultant** for the following expenses properly incurred for the **project**:

11.1.1 Printing, plotting, photocopying, maps, models, presentation materials, photography and similar documentation including all reproduction or purchasing of documents

11.1.2 Accommodation, subsistence and travelling, including kilometre allowances at current recognised rates for the use of vehicles

11.1.3 International telephone calls and facsimiles, special postage and courier deliveries

11.1.4 Other expenses as stated in the schedule

a. Unless otherwise stated in the **schedule** reimbursements shall be made monthly upon proof by the **consultant** that such expenses were incurred

12.0 ADJUSTMENT OF PROFESSIONAL FEES AND DISBURSEMENTS

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- 12.1 The **client** and the **consultant** acknowledge and agree that the professional fees and disbursements are based on the following parameters:
- 12.1.1 Scope of **project**
 - 12.1.2 Scope of **services**
 - 12.1.3 **Project** programme
 - 12.1.4 The cost of the **works**
 - 12.1.5 The cost of the **project**
 - 12.1.6 Appointment of **other consultants**
 - 12.1.7 Appointment of **contractor**
- 12.2 Should any material variation to the parameters stated in 12.1 occur, the professional fees and disbursements shall be adjusted
- 13.0 **PAYMENT**
- 13.1 The **consultant** shall be entitled to render invoices monthly taking cognisance of the apportionment of fees in the **schedule**. Such invoices shall be due and payable by the **client** on receipt thereof
- 13.2 Should the **client** not have paid any invoice within thirty (30) days of receipt thereof, the **client** shall be liable for interest for late payment. Such interest shall be calculated and payable at a rate of two (2) percentage points above the rate of interest applicable from time to time to prime borrowers at the **consultant's** bank from the due date for payment
- 13.3 Should the **client** dispute any aspect of an invoice submitted by the **consultant**, the **client** shall give notice with reasons within thirty (30) days and shall not delay payment of the undisputed amount
- 13.4 Should the **client** allege a claim against the **contractor** or any third party, such claim shall be dealt with on its own merits. The **client** is not entitled to withhold payment to the **consultant** on this account
- 13.5 The **client** shall make payment without any set-off and herewith waives all rights to any such set-off
- 14.0 **ASSIGNMENT**
- 14.1 Neither the **client** nor the **consultant** shall assign obligations under this **agreement** without the written consent of the other **party**
- 15.0 **CONFIDENTIALITY AND COPYRIGHT**
- 15.1 Both **parties** shall keep all sensitive information obtained by them in the context of this **agreement** confidential and shall not divulge it without the prior written approval of the other **party**

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15.2 The **consultant** retains copyright of all documents and/or designs prepared by the **consultant** for the **project**. The **client** has the right to the use and the benefit of the documentation produced for the sole purpose of its intended use on the **project** subject to compliance with the terms and conditions of this **agreement**

15.3 The **client** is entitled to all data and factual information collected by the **consultant** and paid for by the **client**

16.0 CONFLICT OF INTEREST AND CORRUPTION

16.1 The **consultant** shall disclose in the **schedule** any interest or involvement in the **project** other than a professional interest in terms of this **agreement**

16.2 The **consultant** shall not:

16.2.1 Offer, give, receive or solicit anything of value with a view to influencing the behaviour or action of anyone, directly or indirectly, whether in any selection process or in the conduct of this **agreement**, or

16.2.2 Misrepresent any facts in order to influence any selection process or the execution of a contract including the use of collusive practices intended to stifle or reduce the benefits of free and open competition

17.0 CANCELLATION AND SUSPENSION

17.1 Either **party** shall be entitled to cancel this **agreement** should the other **party** breach a material term of this **agreement** and provided written notice of such breach had been given demanding that the breach be remedied within fourteen (14) days and despite such notice, the defaulting **party** remains in breach

17.2 Notwithstanding 17.1, the **client** shall be entitled to cancel this **agreement** forthwith in the event of the **consultant** committing a breach in terms of 16.2

17.3 The **client** may, without prejudice to its right to cancel, suspend the whole or part of the **services**. Prior to such suspension the **client** shall give the **consultant** fourteen (14) days written notice to suspend and to make arrangements to stop the **services** and to minimize further expenditure

17.4 The **consultant** may, without prejudice to its right to cancel, suspend the whole or part of the **services** in the event where:

17.4.1 The **client** has failed to pay any invoice of the **consultant** on due date, or

17.4.2 **Services** have been suspended under 17.3 and the period of suspension has exceeded six (6) months, or it is evident to the **consultant** that it will be unlikely or impractical to resume the suspended **services** before the period of suspension has exceeded six (6) months, or

17.4.3 The **consultant** has given the **client** notice of a material breach in terms of 17.1

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- 17.5 Should the **client** cancel or suspend this **agreement**, other than a cancellation in terms of 17.2 then:
- 17.5.1 The **consultant** shall be paid for **services** rendered on a *quantum meruit* basis, and
- 17.5.2 Other than in the case of a breach by the **consultant** in terms of 17.1, the **consultant** shall, in addition to the fee calculated in terms of 17.5.1, be paid a surcharge of ten per cent (10%) of the remaining fee which would have been payable had the **services** been rendered in full in terms of this **agreement**
- 17.6 Should either **party** be prevented by a cause beyond its control from performing its obligations in terms of this **agreement**, it may cancel or suspend this **agreement** without prejudice to the accrued rights the **parties** have against one another
- 18.0 **RESOLUTION OF DISPUTES**
- 18.1 Should any dispute whatsoever arise between the **parties**, then either **party** hereto may declare a dispute by delivering notice of the details thereof to the other **party**, which dispute shall be referred to arbitration
- 18.2 Prior to arbitration and should the **parties** so agree, the dispute may be referred to a single mediator without the **parties** having legal representation. The mediator shall be selected by agreement between the **parties** within fourteen (14) **days**. Failing such agreement, nominated on the application of either **party** by the person named in the **schedule**. The mediator shall be appointed jointly by the **parties**
- 18.3 The mediator shall have absolute discretion in the manner in which the mediation proceedings shall be conducted
- 18.4 The mediator shall deliver a copy of his reasoned opinion to each **party** within twenty-one (21) **days** of his appointment
- 18.5 The opinion so expressed by the mediator shall be final and binding on the **parties** unless either **party** within twenty-one (21) **days** of the delivery of the opinion, notifies the other **party** of its unwillingness to accept the said opinion, in which event the dispute shall be referred to arbitration in terms of this **agreement**
- 18.6 The costs of mediation shall be determined by the mediator and shall be borne equally by the **parties** and shall be due and payable to the mediator on presentation to them of his written account
- 18.7 Each **party** shall bear any other costs it may have incurred in connection with the mediation
- 18.8 The mediation proceedings shall not prejudice the rights of the **parties** in any manner whatsoever in the event of the dispute proceeding to arbitration
- 18.9 Arbitration shall be by a single arbitrator who shall be selected by agreement between the **parties** within fourteen (14) **days**. Failing such agreement, nominated on the application of

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either **party** by the person named in the **schedule**. The arbitrator shall be appointed jointly by the **parties**, failing which by either one of the **parties**

- 18.10 The arbitrator shall have power to open up, review and revise any opinion, decision, requisition or notice and to determine all matters in dispute which shall be submitted to him, and of which notice shall have been given as aforesaid, in the same manner as if no such opinion, decision, requisition or notice had been given
- 18.11 The arbitration shall be conducted according to the rules stated in the **schedule**

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ANNEXURE A

SCHEDULE

This **schedule** contains all variables, amendments and/or special conditions pertaining to this **agreement**, which variables and/or special conditions shall take precedence over the terms and conditions of this **agreement**. Spaces requiring information shall be filled in or shown as "not applicable" (or deleted) and not left blank. Where insufficient space is provided the information should be annexed hereto and cross-referenced to the applicable clause of this **schedule**. Square bracketed references in italics refer to clauses in this **agreement**

A.1 CONTRACTING PARTIES

Client [1.1.3;1.2]	Umdoni Municipality			
Postal address	P.O BOX 19			
	SCOTTBURGH			
	Country	SCOTTBURGH	Code	4180
	Tel	039 976 1202	Fax	039 976 0381
	e-mail	mmoffice@umdoni.gov.za		
Physical address	UMDONI MUNICIPALITY			
	CNR BRAM FISHER & WILLIAMSON STREET, SCOTTBURGH			
	Country	SCOTTBURGH	Code	4180
Consultant [1.1.7;1.2]	HI-TECH CONSULTING ENGINEERS (LTD)			
Postal address	709 Advance Road			
	Shelly Beach			
	Country	South Africa	Code	4265
	Tel	087 056 1892	Fax	087 056 1891
	e-mail	welilem@htconsulting.co.za		
Physical address	709 Advance Road			
	Shelly Beach			
	Country	South Africa	Code	4265

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A.2 EFFECTIVE DATE*[4.1]*This agreement shall be effective from 15 April 2026*(Date)***A.3 CLIENT'S REPRESENTATIVE****Client's representative***[1.1.4;5.1]*MUNICIPAL MANAGER*(name)*

Postal address

P.O BOX 19SCOTTBURGHCountry SCOTTBURGH Code 4180Tel 039 976 1202 Fax 039 976 0381e-mail mmoffice@umdoni.gov.za

Physical address

UMDONI MUNICIPALITYCNR BRAMFISCHER & WILLIAMSON
STREET, SCOTTBURGHCountry SCOTTBURGH Code 4180**A.4 PRINCIPAL CONSULTANT****Principal consultant***[1.1.11]*HI-TECH CONSULTING ENGINEERS AND PROJECT
MANAGERS(PTY)LTD*(name)*

Postal address

ERF 709 ADVANCE ROADSHELLY BEACHCountry South Africa Code 4265Tel 087 056 1892 Fax 087 056 1891e-mail welilem@htconsulting.co.za

Physical address

ERF 709 ADVANCE ROADSHELLY BEACHCountry South Africa Code 4265**A.5 PRINCIPAL AGENT****Principal agent***[1.1.10]**(name)*

Postal address

Country _____ Code _____

Tel _____ Fax _____

e-mail _____

Physical address

Country

Code

3610

A.6 OTHER CONSULTANTS*[1.1.8]*

Architect

N/A

(name / to be appointed / not applicable)

Civil engineer

N/A

(name / to be appointed / not applicable)

Electrical engineer

N/A

(name / to be appointed / not applicable)

Fire consultant

N/A

(name / to be appointed / not applicable)

Health & safety consultant

N/A

(name / to be appointed / not applicable)

Interior designer

N/A

(name / to be appointed / not applicable)

Landscape architect

N/A

Will. (name / to be appointed / not applicable)

Mechanical engineer

N/A

(name / to be appointed / not applicable)

Project manager

N/A

(name / to be appointed / not applicable)

Quantity surveyor

N/A

(name / to be appointed / not applicable)

Structural engineer

N/A

(name / to be appointed / not applicable)

Wet services consultant

N/A

*(name / to be appointed / not applicable)**(Service/Consultant)**(name / to be appointed / not applicable)**(Service/Consultant)**(name / to be appointed / not applicable)**(Service/Consultant)**(name / to be appointed / not applicable)**(Service/Consultant)**(name / to be appointed / not applicable)**(Service/Consultant)**(name / to be appointed / not applicable)*

A.7 PROJECT

[1.1.12; 2.1; 2.2]

Name and description	UPGRADE OF KWAXULU ROAD(WARD 18) Professional services for Inception, Concept, Design, Documentation and Procurement, Contract Administration and Close-Out
Site identification	The Upgrade of KwaXulu Road (Ward 18), located in Amahlongwa area.
Site Reference	Lat :30°13'37"S 30°43'32"E South Long : 30°14'23"S 30°43'19"E East

A.8 DOCUMENTS

[1.1.1; 1.9]

This agreement	
Annexure A:	The schedule
Annexure B:	Scope of services
Annexure C:	Fee Appraisal & Disbursement Plan
Annexure D:	Letter of Appointment
Annexure E:	
Signed original documents held by <u>Umdoni Local Municipality</u>	

A.9 LIMIT OF LIABILITY

[7.2.]

Select one of the following:

The proceeds of any claim against the professional indemnity insurance

No

(Yes/No)

Specific amount (insert amount)

NA

An amount equals the fees payable by the **client** to the **consultant** in terms of 9.1

R10 000 000.00

No

A.10 PROFESSIONAL INDEMNITY INSURANCE

[8.1]

Party responsible for professional indemnity insurance	SHA Risk Specialist
(client/consultant)	

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Limit of indemnity per claim

R 10 000 000.00

Limit of indemnity in the aggregate

R10 000 000.00

Non-claimable amount (excess/deductible)

N/A

The renewal date of the policy is

AS PER EACH CONSULTANT'S
POLICY

(Date)

A.11 PROFESSIONAL FEES

[9.1]

The professional fees shall be

R 3 306 091.70

**(Three million three hundred and six thousand and ninety-one
rand and seventy cents) – not exceeding 14% of the construction
value based on the estimate**

This fee includes percentage
discount as the attached "Fee
Breakdown Structure and
Disbursements Letter"

including VAT

A.12 APPORTIONMENT OF PROFESSIONAL FEES

[9.1;13.1]

The professional fees shall be apportioned as follows

ECSA Tariff of Fees (2015),

A.13 DISBURSEMENTS

A.13.1 Method of reimbursement

[11.1]

Included in professional fees

No

(Yes/No)

A fixed amount of

R436 425.00 (Incl VAT)

Proven cost

Yes

(Yes/No)

W. W. A. I
P. D.

Environmental Office including ECO

Safety Officer

Surveyor

Geotechnical investigation

A.13.2 Expenses

[11.1.1; 11.1.2; 11.1.3]

Amendments to expenses listed:

NA

A.13.3 Other expenses

[11.1.4]

NA

excluding tax

A.13.4 Payment

[11.2]

Amendments to terms of payment:

A.14 INTERESTS OF CONSULTANT

[16.1]

NA

A.15 EQUIPMENT AND FACILITIES TO BE PROVIDED BY CLIENT

[5.6]

NA

V.W.  I
P.N.

A.16 APPLICABLE LAW
[1.5]

The law applicable to this **agreement** shall be that of South Africa
(country)

A.17 MEDIATOR NOMINATED BY
[18.2]

Name TO BE ADVISED
Address _____
Country _____ Code _____
Tel _____ Fax _____
e-mail _____

A.18 ARBITRATOR NOMINATED BY
[18.9]

Name TO BE ADVISED
Address _____
Country _____ Code _____
Tel _____ Fax _____
e-mail _____

A.19 ARBITRATION RULES
[18.11]

TO BE ADVISED

I
WU
P.N.

A.20 AMENDMENTS AND/OR SPECIAL CONDITIONS
[1.1.13]

Capacity Building and Performance Management

1. The Consultant shall implement structured mentorship and training initiatives for PMU staff to support their progression towards professional registration with ECSA.
2. The Consultant shall participate in and comply with monthly performance evaluations conducted by the Client.
3. Performance evaluation criteria may include, but are not limited to:
 - Technical delivery and quality of work
 - Adherence to project timelines
 - Responsiveness and communication
 - Contribution to skills transfer and capacity building
4. Persistent underperformance may constitute a breach of contract and may trigger remedial actions in terms of Clause 17 (Cancellation and Suspension).

A.21 SIGNATURES OF THE CONTRACTING PARTIES
[1.1.9]

Thus, done and signed at SCOTTBURGH on 07/05/26



Signature of Representative

UMDONI MUNICIPALITY (KZN)

for and on behalf of the **client** who by signature hereof warrants authorisation hereto

MUNICIPAL MANAGER

Capacity of signatory



As witness

Thus, done and signed at Scottburgh on 07/05/2026



Signature of Representative

Welile Mbundwini

for and on behalf of the **consultant** who by signature hereof warrants authorisation hereto



As witness

MANAGING MEMBER

Capacity of signatory



ANNEXURE B

SCHEDULE

The project nature is such that it demands multidisciplinary expertise, namely architecture, civil & structural engineers, electrical & mechanical engineers, quantity surveyors.

The scope of Professional Service Provider is therefore in accordance with the following gazettes:

- Architecture: The 2015 Guideline Tariff of Professional fees was published as Board Notice 122 of 2015 in Government Gazette No 38863 of 12 June 2015.
- Quantity Surveyors: The 2015 Guideline Tariff of Professional fees was published as Board Notice 170 of 2015 in Government Gazette No 39134 of 28 August 2015.
- Engineering Professionals: The 2015 Guideline Tariff of Professional fees was published as Board Notice 151 of 2014 in Government Gazette No.38324, 12 December 2014.

It briefly comprises of normal services as follows:

1. Stage 1: Inception
2. Stage 2: Concept and Viability
3. Stage 3: Design Development
4. Stage 4: Documentation and Procurement
5. Stage 5: Contract Administration and Inspection
6. Stage 6: Close-out

Additional services are:

1. Environmental Office including ECO
2. Safety Officer
3. Surveyor
4. Geotechnical investigation
5. Other (Construction Monitoring)
6. Capacity building and mentorship of PMU staff towards ECSA professional registration.

W.W. 
P.V. I

ANNEXURE C: FEE APPRAISAL AND DISBURSMENT SCHEDULE

SECTION B				
UPGRADE OF KWAXULU ROAD(WARD 18)				
ITEM NO	DESCRIPTION OF SERVICE	UNIT	ESTIMATE VALUE PAYABLE	RATE
	Construction Estimate		R 20 534 731,09	
1.	Normal Services	%	R 2 874 862,35	
1.1	Inception	%	R 143 743,12	5%
1.2	Concept and Viability	%	R 718 715,59	25%
1.3	Design Development	%	R 718 715,59	25%
1.4	Documentation and Procurement	%	R 718 715,59	25%
1.5	Contract Administration and Inspection	%	R 431 229,35	15%
1.6	Close Out	%	R 143 743,12	5%
	Normal Services Sub-Total		R 2 874 862,35	
2.	Additional Services			
	Disbursements/Additional Services	Prov Sum		1
2.1	Environmental Office including ECO	1	R 100 000,00	
2.2	Safety Officer	1	R 79 500,00	
2.3	Surveyor	1	R 100 000,00	
2.4	Geotechnical investigation	1	R 100 000,00	
3.	Sub-Total Additional Services		R 379 500,00	
4.	Subtotal (Normal Services, Additional Services, Expenses & Costs)		R 3 254 362,35	
5.	Add 15% VAT		R 488 154,35	
6.	TOTAL Bid Amount		ZAR 3 742 516,70	

W.W I
P.N.



UMDONI MUNICIPALITY

THE J.E.W.E.L OF THE SOUTH COAST

Postal Address:

P O Box 19
Scottburgh
4180
Tel: 039 976 1202

Physical Address:

Cnr Williamson & Bram Fischer Streets
Scottburgh
4180
Fax: 039 976 2194

Our Ref: UPGRADE OF NKANINI ROAD IN WARD 19.

Enquiries: Mr. D Nyathi

E-mail: Davidn@umdoni.gov.za

01 April 2026

HI-TECH CONSULTING ENGINEERS AND PROJECT MANAGERS

709 ADVANCE ROAD
SHELLY BEACH
4265

Email: admin@htconsulting.co.za
Contact: 087 056 1891

Dear Sir/Madam

LETTER OF APPOINTMENT: APPOINTMENT OF CIVIL ENGINEERING CONSULTANT FOR UPGRADE OF KWAXULU ROAD IN WARD 18.

Following the advertisement of the above bid with **BID NO.02-2026**, this letter serves to confirm that your company **HI-TECH CONSULTING ENGINEERS AND PROJECT MANAGERS** has been appointed by Umdoni Local Municipality for the above mentioned projects at **14 % FIXED RATE** of the Construction Value as stipulated in the Bid Document.

The appointment shall be in terms and guidelines of the latest General Conditions of Contract (GCC 2010 edition).

Should you have queries regarding the above, please do not hesitate to contact the undersigned.

Yours Faithfully

Acting Municipal Manager
Umdoni Municipality

I
W. W
P.N.

Kindly sign below in acceptance of this appointment and submit to this office by no later than seven (7) working days through: Email: mmoffice@umdoni.gov.za or

P O BOX 19, SCOTTBURGH, 4180 or corner Bram Fischer and Williamson Street, Scott burgh, 4180

I/WE WELILE MBUNDINI..... Representing **HI-TECH CONSULTING ENGINEERS AND PROJECT MANAGERS** hereby accept the award of this tender as well as terms and conditions of this appointment according to content of this letter.

Signature: _____

Date: _____

07/04/2026

Witness: _____

ZANDI MEMELA

W.W I
P.N'



Private Bag X9078, PIETERMARITZBURG, 3200

Vadley House Building, 115 Jabu Ndlovu Street, Pietermaritzburg, 3200

tel: 033 355 6297 Email: similo.mate@kzncogta.gov.za

DIRECTORATE:

MUNICIPAL INFRASTRUCTURE

Enquiries: Mr. S.Z Mate

Reference No: 2025MIGFK212576029

The Municipal Manager
UMdoni Local Municipality
P.O. Box 19
Scottburgh
4080

ATTENTION: Ms N.K Dweba (Municipal Manager)
CC: Mr. T Mketsu (CFO)
Mr. M.B Shangase (Technical Director)
Mr. S.L Xulu (PMU Manager)

: khumbuzad@umdoni.gov.za
: thandom@umdoni.gov.za
: mthokozisi@umdoni.gov.za
: sandilex@umdoni.gov.za

MIG: Notification of Registration (NOR) for UPGRADE OF KWAXULU ROAD (WARD 18)

The Infrastructure Project with MIS No. **576029** and Provincial Reference Number: **2025MIGFK212576029** has been registered by the Department of Cooperative Governance.

1. Confirmation that the above-mentioned project has been evaluated and registered as follows:

2.1. MIG amount registered (Incl. VAT)	:	R 27,357,457.46
2.1.1. Direct Cost (Excl VAT)	:	R 20,534,731.09
2.1.2. Indirect Cost (Excl VAT)	:	R 3,254,362.35
2.1.3. VAT @ 15%	:	R 3,568,364.02

2.2. Public Sector amount registered (Rs)	:	R	0,00
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- All the commitments and conditions as set out in the Project Registration Form and signed off by the Municipal Manager on MIG-MIS must be adhered to. In addition, the municipality is required to adhere to the contents of this letter and the attached Annexure 1.
- Approved Project/s are subject to **implementation within 3 years of approval**. This project will be implemented from **25/26 to 27/28**.
- Construction period excluding retention is **10 months** from **27 July 2026 to 27 May 2027**.
- The project duration from design approval up to retention payment is **30 months** with start date **30 November 2025** and completion date recorded as **29 May 2028**. The municipality is required to complete the project within the estimated project duration.
- The municipality is required to execute the scope of works as per the MIG1 which forms the basis for the project to be considered.
- The grant shall be used solely for the purpose of the **REGISTERED SCOPE OF WORKS** as per the MIG 1.
- Any extension of time and/or change in scope of works and/or additions to the scope of works will only be granted by the Municipal Business Plan Appraisal Committee (MBPAC).

Byutshini

MRS B MGUTSHINI: ACTING HEAD OF DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

MIS No. 576029, UPGRADE OF KWAXULU ROAD (WARD 18)

*I
P.N.*

W.W



ANNEXURE 1: NOR CONDITIONS

1. All funding is inclusive of VAT, and is as per the Registered MIG 1 form.
2. The Municipality is obligated to provide the Provincial MIG Management unit with the documents listed below:
 - a. A copy of the consultants Letter of Appointment.
 - b. A copy of the Tender evaluation and adjudication report for consideration of an approval prior to the award of the Tender should an Award Adjustment be required.
 - c. A copy of the signed Contract Document to serve as a base document in order to compare rates.
 - d. The MIG 4 Registration of Consultant Form (captured on the MIS).
 - e. The MIG 5 Registration of Contractor Form (captured on the MIS).
 - f. All signed Provincial payment certificates with their supporting documentation, i.e. copies of MIG 6 & 8 forms (captured on the MIS), Council invoice, Consultant invoice, Contractors invoice, copy of Bill of Quantities where applicable and Complete updated Monthly Expenditure Commitment Schedule.
 - g. An updated cash flow per project, taking into consideration actual expenditure to date and future projections.
3. Please note that No payments will be processed and verified by the Provincial MIG Office if the documents listed in section 2 above are not provided.
4. The Total MIG Project Value is to be based on the accepted tender amount(s), plus Consultants Fees or the National Registered Project Value, whichever is the lesser of the two.
5. Any request for Additional Funding Application must be submitted on the MIG-MIS with supporting documents submitted to the Provincial MIG Office before the project reaches 80% progress in terms of expenditure.
6. Where counter funding is applicable, the Department will only sanction for payment the registered MIG percentage per claim. Each payment claim will be adjusted accordingly.
7. The Municipality must be in a position to provide documentary proof of land ownership, permission to occupy the land that is subject to this project, and land availability (where applicable).
8. The Municipality must further be in a position to provide documentary proof of the servitudes necessary to implement this Infrastructure Project.
9. The municipality must present and comply all authorisations issued such as building plan approval, Record of Decision, Water Use License Authorisation.
10. The Infrastructure Project must become an asset of the Municipality, recorded in the asset register and maintained to optimise the design life.
11. Any variation or change to the scope of the project requiring the utilization of the contingency amount set out in either the Project Registration Form / Tender contract document, requires the prior written approval of the Provincial MIG Manager. A New Registration is applicable, as costs and/or scope may have changed.
12. The Municipality shall do all things reasonable to ensure that the grant was disbursed entirely in accordance with this notification and the project has been implemented successfully, by carrying out all obligations, duties and liabilities so incumbent on the municipality.
13. In the event of the Municipality failing to fulfil its obligations, the Provincial MIG Manager, at his / her sole discretion, reserves the right to recommend to DPLG to withdraw the grant funding on the project, including any amounts transferred to the municipality, but not yet disbursed.
14. A CLOSE OUT REPORT on the project and actual project value must be submitted within 30 (thirty) days of completion of the project.
15. The Municipality must comply with all the reporting requirements according to the Division of Revenue Act (as amended) and the MIG policy document, including:
 - a. Summary explaining variances between expenditure and amounts transferred by the 8th of the following month.
 - b. Certificate of revenue and expenditure (DRAWDOWNS) signed by the Municipal Manager or delegated official, by the 10th of the following month.
 - c. Proof of payment of previous month's claims must be submitted before the 01st of the following month.
 - d. Annual MIG report must be submitted on or before the timelines set out by the DORA
16. All other conditions as agreed upon by the Municipal Manager in the Project Registration form must be adhered to.

W.W
P.W
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